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ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2639

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State of Washington

63rd Legislature

2014 Regular Session

By House Appropriations (originally sponsored by Representatives Moeller, Harris, Green, Cody, Morrell, Clibborn, Riccelli, Van De Wege, Bergquist, and Freeman; by request of Governor Inslee)

READ FIRST TIME 02/11/14.

1 AN ACT Relating to state purchasing of mental health and chemical  
2 dependency treatment services; amending RCW 71.24.015, 71.24.016,  
3 71.24.025, 71.24.035, 71.24.045, 71.24.100, 71.24.110, 71.24.340,  
4 71.24.420, 70.96A.020, 70.96A.040, 70.96A.050, 70.96A.080, 70.96A.320,  
5 71.24.049, 71.24.061, 71.24.155, 71.24.160, 71.24.250, 71.24.300,  
6 71.24.310, 71.24.350, 71.24.370, 71.24.455, 71.24.470, 71.24.480,  
7 71.24.845, 71.24.055, 71.24.065, 71.24.240, 71.24.320, 71.24.330,  
8 71.24.360, 71.24.405, 71.24.430, and 74.09.522; amending 2013 c 338 s  
9 1 (uncodified); adding new sections to chapter 43.20A RCW; adding new  
10 sections to chapter 71.24 RCW; providing an effective date; and  
11 declaring an emergency.

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

13 **Sec. 1.** 2013 c 338 s 1 (uncodified) is amended to read as follows:

14 (1)(a) Beginning (~~May~~) April 1, 2014, the legislature shall  
15 convene a task force to examine reform of the adult behavioral health  
16 system, with voting members as provided in this subsection.

17 (i) The president of the senate shall appoint (~~one~~) two members  
18 from each of the two largest caucuses of the senate.

1 (ii) The speaker of the house of representatives shall appoint  
2 (~~one~~) two members from each of the two largest caucuses in the house  
3 of representatives.

4 (iii) The governor shall appoint five members consisting of the  
5 secretary of the department of social and health services or the  
6 secretary's designee, the director of the health care authority or the  
7 director's designee, the director of the office of financial management  
8 or the director's designee, the secretary of the department of  
9 corrections or the secretary's designee, and a representative of the  
10 governor.

11 (iv) The Washington state association of counties shall appoint  
12 three members.

13 (v) The governor shall request participation by a representative of  
14 tribal governments.

15 (b) The task force shall choose two cochairs from among its  
16 legislative members.

17 (c) The task force shall adopt a bottom-up approach and welcome  
18 input and participation from all stakeholders interested in the  
19 improvement of the adult behavioral health system. To that end, the  
20 task force must invite participation from, at a minimum, the following:  
21 The department of commerce, behavioral health service recipients and  
22 their families; local government; representatives of regional support  
23 networks; representatives of county coordinators; law enforcement; city  
24 and county jails; tribal representatives; behavioral health service  
25 providers; housing providers; labor representatives; counties with  
26 state hospitals; mental health advocates; chemical dependency  
27 advocates; public defenders with involuntary mental health commitment  
28 or mental health court experience; chemical dependency experts working  
29 with drug courts; medicaid managed care plan and associated delivery  
30 system representatives; long-term care service providers; the  
31 Washington state hospital association; and individuals with expertise  
32 in evidence-based and research-based behavioral health service  
33 practices. Leadership of subcommittees formed by the task force may be  
34 drawn from this body of invited participants.

35 (2) The task force shall undertake a systemwide review of the adult  
36 behavioral health system and make recommendations for reform  
37 concerning, but not limited to, the following:

1 (a) The means by which services are purchased and delivered for  
2 adults with mental illness and chemical dependency disorders through  
3 the department of social and health services and the health care  
4 authority, including:

5 (i) Guidance for the creation of common regional service areas for  
6 purchasing behavioral health services and medical care services by the  
7 department and the authority, taking into consideration any proposal  
8 submitted by the Washington state association of counties under section  
9 2 of this act; or

10 (ii) Identification of key issues that must be addressed by the  
11 health care authority and the department of social and health services  
12 to achieve the full integration of medical and behavioral health  
13 services by January 1, 2019;

14 (b) Availability of effective means to promote recovery and prevent  
15 harm associated with mental illness and chemical dependency;

16 (c) Crisis services, including boarding of mental health patients  
17 outside of regularly certified treatment beds;

18 (d) Best practices for cross-system collaboration between  
19 behavioral health treatment providers, medical care providers, long-  
20 term care service providers, entities providing health home services to  
21 high-risk medicaid clients, law enforcement, and criminal justice  
22 agencies; and

23 (e) Public safety practices involving persons with mental illness  
24 and chemical dependency with forensic involvement.

25 (3) Staff support for the task force must be provided by the senate  
26 committee services and the house of representatives office of program  
27 research.

28 (4) Legislative members of the task force must be reimbursed for  
29 travel expenses in accordance with RCW 44.04.120. Nonlegislative  
30 members, except those representing an employer or organization, are  
31 entitled to be reimbursed for travel expenses in accordance with RCW  
32 43.03.050 and 43.03.060.

33 (5) The expenses of the task force must be paid jointly by the  
34 senate and house of representatives. Task force expenditures are  
35 subject to approval by the senate facilities and operations committee  
36 and the house of representatives executive rules committee, or their  
37 successor committees.

1 (6) The task force shall report its findings and recommendations to  
2 the governor and the appropriate committees of the legislature by  
3 January 1, 2015, except that recommendations under subsection (2)(a)(i)  
4 of this section must be submitted to the governor by August 1, 2014,  
5 and recommendations under subsection (2)(a)(ii) of this section must be  
6 submitted to the governor by September 1, 2014.

7 (7) This section expires June 1, 2015.

8 NEW SECTION. Sec. 2. A new section is added to chapter 43.20A RCW  
9 to read as follows:

10 (1) The department and the health care authority shall jointly  
11 establish regional service areas by September 1, 2014, as provided in  
12 this section.

13 (2) Counties, through the Washington state association of counties,  
14 must be given the opportunity to propose the composition of no more  
15 than nine regional service areas. Each service area must:

16 (a) Include a sufficient number of medicaid lives to support full  
17 financial risk managed care contracting for services included in  
18 contracts with the department or the health care authority;

19 (b) Include full counties that are contiguous with one another; and

20 (c) Reflect natural medical and behavioral health service referral  
21 patterns and shared clinical, health care service, behavioral health  
22 service, and behavioral health crisis response resources.

23 (3) The Washington state association of counties must submit their  
24 recommendations to the department, the health care authority, and the  
25 task force described in section 1 of this act on or before July 1,  
26 2014.

27 NEW SECTION. Sec. 3. A new section is added to chapter 43.20A RCW  
28 to read as follows:

29 (1) Any agreement or contract by the department or the health care  
30 authority to provide behavioral health services as defined under RCW  
31 71.24.025 to persons eligible for benefits under medicaid, Title XIX of  
32 the social security act, and to persons not eligible for medicaid must  
33 include the following:

34 (a) Contractual provisions consistent with the intent expressed in  
35 RCW 71.24.015, 71.36.005, 70.96A.010, and 70.96A.011;

1 (b) Standards regarding the quality of services to be provided,  
2 including increased use of evidence-based, research-based, and  
3 promising practices, as defined in RCW 71.24.025;

4 (c) Accountability for the client outcomes established in RCW  
5 43.20A.895, 70.320.020, and 71.36.025 and performance measures linked  
6 to those outcomes;

7 (d) Standards requiring behavioral health organizations to maintain  
8 a network of appropriate providers that is supported by written  
9 agreements sufficient to provide adequate access to all services  
10 covered under the contract with the department or the health care  
11 authority and to protect essential existing behavioral health system  
12 infrastructure and capacity, including a continuum of chemical  
13 dependency services;

14 (e) Provisions to require that behavioral health organizations  
15 offer contracts to managed health care systems under chapter 74.09 RCW  
16 or primary care practice settings to provide access to chemical  
17 dependency professional services and mental health services integrated  
18 in primary care settings for individuals with behavioral health and  
19 medical comorbidities;

20 (f) Provisions to require that medically necessary chemical  
21 dependency treatment services be available to clients;

22 (g) Standards requiring the use of behavioral health service  
23 provider reimbursement methods that incentivize improved performance  
24 with respect to the client outcomes established in RCW 43.20A.895 and  
25 71.36.025, integration of behavioral health and primary care services  
26 at the clinical level, and improved care coordination for individuals  
27 with complex care needs;

28 (h) Standards related to the financial integrity of the responding  
29 organization. The department shall adopt rules establishing the  
30 solvency requirements and other financial integrity standards for  
31 behavioral health organizations. This subsection does not limit the  
32 authority of the department to take action under a contract upon  
33 finding that a behavioral health organization's financial status  
34 jeopardizes the organization's ability to meet its contractual  
35 obligations;

36 (i) Mechanisms for monitoring performance under the contract and  
37 remedies for failure to substantially comply with the requirements of

1 the contract including, but not limited to, financial deductions,  
2 termination of the contract, receivership, reprocurement of the  
3 contract, and injunctive remedies;

4 (j) Provisions to maintain the decision-making independence of  
5 designated mental health professionals or designated chemical  
6 dependency specialists; and

7 (k) Provisions stating that public funds appropriated by the  
8 legislature may not be used to promote or deter, encourage, or  
9 discourage employees from exercising their rights under Title 29,  
10 chapter 7, subchapter II, United States Code or chapter 41.56 RCW.

11 (2) The following factors must be given significant weight in any  
12 purchasing process:

13 (a) Demonstrated commitment and experience in serving low-income  
14 populations;

15 (b) Demonstrated commitment and experience serving persons who have  
16 mental illness, chemical dependency, or co-occurring disorders;

17 (c) Demonstrated commitment to and experience with partnerships  
18 with county and municipal criminal justice systems, housing services,  
19 and other critical support services necessary to achieve the outcomes  
20 established in RCW 43.20A.895, 70.320.020, and 71.36.025;

21 (d) Recognition that meeting enrollees' physical and behavioral  
22 health care needs is a shared responsibility of contracted behavioral  
23 health organizations, managed health care systems, service providers,  
24 the state, and communities;

25 (e) Consideration of past and current performance and participation  
26 in other state or federal behavioral health programs as a contractor;  
27 and

28 (f) The ability to meet requirements established by the department.

29 (3) For purposes of purchasing behavioral health services and  
30 medical care services for persons eligible for benefits under medicaid,  
31 Title XIX of the social security act and for persons not eligible for  
32 medicaid, the department and the health care authority must use common  
33 regional service areas. The regional service areas must be established  
34 by the department and the health care authority as provided in section  
35 2 of this act.

36 (4) Consideration must be given to using multiple-biennia  
37 contracting periods.

1 (5) Each behavioral health organization operating pursuant to a  
2 contract issued under this section shall enroll clients within its  
3 regional service area who meet the department's eligibility criteria  
4 for mental health and chemical dependency services.

5 NEW SECTION. **Sec. 4.** A new section is added to chapter 71.24 RCW  
6 to read as follows:

7 (1) The secretary shall purchase mental health and chemical  
8 dependency treatment services primarily through managed care  
9 contracting.

10 (2)(a) The secretary shall request a detailed plan from the  
11 entities identified in (b) of this subsection that demonstrates  
12 compliance with federal regulations related to medicaid managed care  
13 contracting, including, but not limited to: Having a sufficient  
14 network of providers to provide adequate access to mental health and  
15 chemical dependency services for residents of the regional service area  
16 that meet eligibility criteria for services, ability to maintain and  
17 manage adequate reserves, and maintenance of quality assurance  
18 processes. Any responding entity that submits a detailed plan that  
19 demonstrates that it can meet the requirements of this section must be  
20 awarded the contract to serve as the behavioral health organization.

21 (b)(i) For purposes of responding to the request for a detailed  
22 plan under (a) of this subsection, all counties within a regional  
23 service area that includes more than one county shall form a responding  
24 entity through the adoption of an interlocal agreement. The interlocal  
25 agreement must specify the terms by which the responding entity shall  
26 serve as the behavioral health organization within the regional service  
27 area.

28 (ii) In the event that a county has made a decision prior to  
29 January 1, 2014, not to participate in a regional support network, any  
30 private entity that had previously been certified for that county must  
31 be offered the opportunity to serve as the single responding entity for  
32 that county or group of counties.

33 (iii) In the event that a regional service area is comprised of  
34 multiple counties including one that has made a decision prior to  
35 January 1, 2014, not to participate in a regional support network the  
36 counties shall adopt an interlocal agreement and may respond to the  
37 request for a detailed plan under (a) of this subsection and the

1 private entity may also respond to the request for a detailed plan. If  
2 both responding entities meet the requirements of this section, the  
3 responding entities shall follow the department's procurement process  
4 established in subsection (2) of this section.

5 (2) If an entity that has received a request under this section to  
6 submit a detailed plan does not respond to the request, a responding  
7 entity under subsection (1) of this section is unable to substantially  
8 meet the requirements of the request for a detailed plan, or more than  
9 one responding entity substantially meet the requirements for the  
10 request for a detailed plan, the department shall use a procurement  
11 process in which other entities recognized by the secretary may bid to  
12 serve as the behavioral health organization in that regional service  
13 area.

14 (3) Contracts for behavioral health organizations must begin on  
15 April 1, 2016.

16 (4) Upon request of one or more county authorities, the department  
17 and the health care authority may jointly purchase behavioral health  
18 services through an integrated medical and behavioral health services  
19 contract with a behavioral health organization or a managed health care  
20 system as defined in RCW 74.09.522. Any contract for such a purchase  
21 must comply with all federal medicaid and state law requirements  
22 related to managed health care contracting.

23 **Sec. 5.** RCW 71.24.015 and 2005 c 503 s 1 are each amended to read  
24 as follows:

25 It is the intent of the legislature to establish a community mental  
26 health program which shall help people experiencing mental illness to  
27 retain a respected and productive position in the community. This will  
28 be accomplished through programs that focus on resilience and recovery,  
29 and practices that are evidence-based, research-based, consensus-based,  
30 or, where these do not exist, promising or emerging best practices,  
31 which provide for:

32 (1) Access to mental health services for adults (~~(of the state who~~  
33 ~~are acutely mentally ill, chronically mentally ill,)) with acute mental  
34 illness, chronic mental illness, or who are seriously disturbed and  
35 children (~~(of the state who are acutely mentally ill)) with acute  
36 mental illness, or who are severely emotionally disturbed, or seriously  
37 disturbed, which services recognize the special needs of underserved~~~~

1 populations, including minorities, children, the elderly, (~~disabled~~)  
2 individuals with disabilities, and low-income persons. Access to  
3 mental health services shall not be limited by a person's history of  
4 confinement in a state, federal, or local correctional facility. It is  
5 also the purpose of this chapter to promote the early identification of  
6 (~~mentally ill~~) children with mental illness and to ensure that they  
7 receive the mental health care and treatment which is appropriate to  
8 their developmental level. This care should improve home, school, and  
9 community functioning, maintain children in a safe and nurturing home  
10 environment, and should enable treatment decisions to be made in  
11 response to clinical needs in accordance with sound professional  
12 judgment while also recognizing parents' rights to participate in  
13 treatment decisions for their children;

14 (2) The involvement of persons with mental illness, their family  
15 members, and advocates in designing and implementing mental health  
16 services that reduce unnecessary hospitalization and incarceration and  
17 promote the recovery and employment of persons with mental illness. To  
18 improve the quality of services available and promote the  
19 rehabilitation, recovery, and reintegration of persons with mental  
20 illness, consumer and advocate participation in mental health services  
21 is an integral part of the community mental health system and shall be  
22 supported;

23 (3) Accountability of efficient and effective services through  
24 state-of-the-art outcome and performance measures and statewide  
25 standards for monitoring client and system outcomes, performance, and  
26 reporting of client and system outcome information. These processes  
27 shall be designed so as to maximize the use of available resources for  
28 direct care of people with a mental illness and to assure uniform data  
29 collection across the state;

30 (4) Minimum service delivery standards;

31 (5) Priorities for the use of available resources for the care of  
32 (~~the mentally ill~~) individuals with mental illness consistent with  
33 the priorities defined in the statute;

34 (6) Coordination of services within the department, including those  
35 divisions within the department that provide services to children,  
36 between the department and the office of the superintendent of public  
37 instruction, and among state mental hospitals, county authorities,  
38 (~~regional — support — networks~~) behavioral \_ health \_ organizations,

1 community mental health services, and other support services, which  
2 shall to the maximum extent feasible also include the families of (~~the~~  
3 ~~mentally-ill~~) individuals with mental illness, and other service  
4 providers; and

5 (7) Coordination of services aimed at reducing duplication in  
6 service delivery and promoting complementary services among all  
7 entities that provide mental health services to adults and children.

8 It is the policy of the state to encourage the provision of a full  
9 range of treatment and rehabilitation services in the state for mental  
10 disorders including services operated by consumers and advocates. The  
11 legislature intends to encourage the development of regional mental  
12 health services with adequate local flexibility to assure eligible  
13 people in need of care access to the least-restrictive treatment  
14 alternative appropriate to their needs, and the availability of  
15 treatment components to assure continuity of care. To this end,  
16 counties (~~are encouraged to~~) must enter into joint operating  
17 agreements with other counties to form regional systems of care that  
18 are consistent with the regional service areas established under  
19 section 2 of this act. Regional systems of care, whether operated by  
20 a county, group of counties, or another entity shall integrate  
21 planning, administration, and service delivery duties under chapters  
22 71.05 and 71.24 RCW to consolidate administration, reduce  
23 administrative layering, and reduce administrative costs. The  
24 legislature hereby finds and declares that sound fiscal management  
25 requires vigilance to ensure that funds appropriated by the legislature  
26 for the provision of needed community mental health programs and  
27 services are ultimately expended solely for the purpose for which they  
28 were appropriated, and not for any other purpose.

29 It is further the intent of the legislature to integrate the  
30 provision of services to provide continuity of care through all phases  
31 of treatment. To this end, the legislature intends to promote active  
32 engagement with (~~mentally-ill~~) persons with mental illness and  
33 collaboration between families and service providers.

34 **Sec. 6.** RCW 71.24.016 and 2006 c 333 s 102 are each amended to  
35 read as follows:

36 (1) The legislature intends that eastern and western state  
37 hospitals shall operate as clinical centers for handling the most

1 complicated long-term care needs of patients with a primary diagnosis  
2 of mental disorder. It is further the intent of the legislature that  
3 the community mental health service delivery system focus on  
4 maintaining ~~((mentally-ill))~~ individuals with mental illness in the  
5 community. The program shall be evaluated and managed through a  
6 limited number of outcome and performance measures ~~((designed to hold  
7 each regional support network accountable for program success))~~, as  
8 provided in RCW 43.20A.895, 70.320.020, and 71.36.025.

9 (2) The legislature intends to address the needs of people with  
10 mental disorders with a targeted, coordinated, and comprehensive set of  
11 evidence-based practices that are effective in serving individuals in  
12 their community and will reduce the need for placements in state mental  
13 hospitals. The legislature further intends to explicitly hold  
14 ~~((regional — support — networks))~~ behavioral \_\_ health \_\_ organizations  
15 accountable for serving people with mental disorders within the  
16 boundaries of their ~~((geographic boundaries))~~ regional service area and  
17 for not exceeding their allocation of state hospital beds. ~~((Within  
18 funds appropriated by the legislature for this purpose, regional  
19 support networks shall develop the means to serve the needs of people  
20 with mental disorders within their geographic boundaries. Elements of  
21 the program may include:~~

- 22 ~~(a) Crisis triage;~~
- 23 ~~(b) Evaluation and treatment and community hospital beds;~~
- 24 ~~(c) Residential beds;~~
- 25 ~~(d) Programs for community treatment teams; and~~
- 26 ~~(e) Outpatient services.~~

27 ~~(3) The regional support network shall have the flexibility, within  
28 the funds appropriated by the legislature for this purpose, to design  
29 the mix of services that will be most effective within their service  
30 area of meeting the needs of people with mental disorders and avoiding  
31 placement of such individuals at the state mental hospital. Regional  
32 support networks are encouraged to maximize the use of evidence based  
33 practices and alternative resources with the goal of substantially  
34 reducing and potentially eliminating the use of institutions for mental  
35 diseases.))~~

36 NEW SECTION. Sec. 7. A new section is added to chapter 71.24 RCW  
37 to read as follows:

1 By January 1, 2019, the department and the health care authority  
2 must transition community behavioral health services to a system of  
3 fully integrated managed health care purchasing that provides mental  
4 health services, chemical dependency services, and medical care  
5 services to medicaid clients.

6 NEW SECTION. **Sec. 8.** A new section is added to chapter 71.24 RCW  
7 to read as follows:

8 (1) Within funds appropriated by the legislature for this purpose,  
9 behavioral health organizations shall develop the means to serve the  
10 needs of people with mental disorders within the boundaries of their  
11 regional service area. Elements of the program may include:

- 12 (a) Crisis diversion services;
- 13 (b) Evaluation and treatment and community hospital beds;
- 14 (c) Residential treatment;
- 15 (d) Programs for community treatment teams;
- 16 (e) Outpatient services;
- 17 (f) Peer support services;
- 18 (g) Community support services;
- 19 (h) Resource management services; and
- 20 (i) Supported housing and supported employment services.

21 (2) The behavioral health organization shall have the flexibility,  
22 within the funds appropriated by the legislature for this purpose and  
23 the terms of their contract, to design the mix of services that will be  
24 most effective within their service area of meeting the needs of people  
25 with mental disorders and avoiding placement of such individuals at the  
26 state mental hospital. Behavioral health organizations are encouraged  
27 to maximize the use of evidence-based practices and alternative  
28 resources with the goal of substantially reducing and potentially  
29 eliminating the use of institutions for mental diseases.

30 **Sec. 9.** RCW 71.24.025 and 2013 c 338 s 5 are each amended to read  
31 as follows:

32 Unless the context clearly requires otherwise, the definitions in  
33 this section apply throughout this chapter.

34 (1) "Acutely mentally ill" means a condition which is limited to a  
35 short-term severe crisis episode of:

1 (a) A mental disorder as defined in RCW 71.05.020 or, in the case  
2 of a child, as defined in RCW 71.34.020;

3 (b) Being gravely disabled as defined in RCW 71.05.020 or, in the  
4 case of a child, a gravely disabled minor as defined in RCW 71.34.020;  
5 or

6 (c) Presenting a likelihood of serious harm as defined in RCW  
7 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

8 (2) "Available resources" means funds appropriated for the purpose  
9 of providing community mental health programs, federal funds, except  
10 those provided according to Title XIX of the Social Security Act, and  
11 state funds appropriated under this chapter or chapter 71.05 RCW by the  
12 legislature during any biennium for the purpose of providing  
13 residential services, resource management services, community support  
14 services, and other mental health services. This does not include  
15 funds appropriated for the purpose of operating and administering the  
16 state psychiatric hospitals.

17 (3) "Child" means a person under the age of eighteen years.

18 (4) "Chronically mentally ill adult" or "adult who is chronically  
19 mentally ill" means an adult who has a mental disorder and meets at  
20 least one of the following criteria:

21 (a) Has undergone two or more episodes of hospital care for a  
22 mental disorder within the preceding two years; or

23 (b) Has experienced a continuous psychiatric hospitalization or  
24 residential treatment exceeding six months' duration within the  
25 preceding year; or

26 (c) Has been unable to engage in any substantial gainful activity  
27 by reason of any mental disorder which has lasted for a continuous  
28 period of not less than twelve months. "Substantial gainful activity"  
29 shall be defined by the department by rule consistent with Public Law  
30 92-603, as amended.

31 (5) "Clubhouse" means a community-based program that provides  
32 rehabilitation services and is certified by the department of social  
33 and health services.

34 (6) "Community mental health program" means all mental health  
35 services, activities, or programs using available resources.

36 (7) "Community mental health service delivery system" means public  
37 or private agencies that provide services specifically to persons with

1 mental disorders as defined under RCW 71.05.020 and receive funding  
2 from public sources.

3 (8) "Community support services" means services authorized,  
4 planned, and coordinated through resource management services  
5 including, at a minimum, assessment, diagnosis, emergency crisis  
6 intervention available twenty-four hours, seven days a week,  
7 prescreening determinations for persons who are mentally ill being  
8 considered for placement in nursing homes as required by federal law,  
9 screening for patients being considered for admission to residential  
10 services, diagnosis and treatment for children who are acutely mentally  
11 ill or severely emotionally disturbed discovered under screening  
12 through the federal Title XIX early and periodic screening, diagnosis,  
13 and treatment program, investigation, legal, and other nonresidential  
14 services under chapter 71.05 RCW, case management services, psychiatric  
15 treatment including medication supervision, counseling, psychotherapy,  
16 assuring transfer of relevant patient information between service  
17 providers, recovery services, and other services determined by  
18 (~~regional support networks~~) behavioral health organizations.

19 (9) "Consensus-based" means a program or practice that has general  
20 support among treatment providers and experts, based on experience or  
21 professional literature, and may have anecdotal or case study support,  
22 or that is agreed but not possible to perform studies with random  
23 assignment and controlled groups.

24 (10) "County authority" means the board of county commissioners,  
25 county council, or county executive having authority to establish a  
26 community mental health program, or two or more of the county  
27 authorities specified in this subsection which have entered into an  
28 agreement to provide a community mental health program.

29 (11) "Department" means the department of social and health  
30 services.

31 (12) "Designated mental health professional" means a mental health  
32 professional designated by the county or other authority authorized in  
33 rule to perform the duties specified in this chapter.

34 (13) "Emerging best practice" or "promising practice" means a  
35 program or practice that, based on statistical analyses or a well  
36 established theory of change, shows potential for meeting the evidence-  
37 based or research-based criteria, which may include the use of a

1 program that is evidence-based for outcomes other than those listed in  
2 subsection (14) of this section.

3 (14) "Evidence-based" means a program or practice that has been  
4 tested in heterogeneous or intended populations with multiple  
5 randomized, or statistically controlled evaluations, or both; or one  
6 large multiple site randomized, or statistically controlled evaluation,  
7 or both, where the weight of the evidence from a systemic review  
8 demonstrates sustained improvements in at least one outcome.  
9 "Evidence-based" also means a program or practice that can be  
10 implemented with a set of procedures to allow successful replication in  
11 Washington and, when possible, is determined to be cost-beneficial.

12 (15) "Licensed service provider" means an entity licensed according  
13 to this chapter or chapter 71.05 RCW or an entity deemed to meet state  
14 minimum standards as a result of accreditation by a recognized  
15 behavioral health accrediting body recognized and having a current  
16 agreement with the department, that meets state minimum standards or  
17 persons licensed under chapter 18.57, 18.71, 18.83, or 18.79 RCW, as it  
18 applies to registered nurses and advanced registered nurse  
19 practitioners.

20 (16) "Long-term inpatient care" means inpatient services for  
21 persons committed for, or voluntarily receiving intensive treatment  
22 for, periods of ninety days or greater under chapter 71.05 RCW. "Long-  
23 term inpatient care" as used in this chapter does not include: (a)  
24 Services for individuals committed under chapter 71.05 RCW who are  
25 receiving services pursuant to a conditional release or a court-ordered  
26 less restrictive alternative to detention; or (b) services for  
27 individuals voluntarily receiving less restrictive alternative  
28 treatment on the grounds of the state hospital.

29 (17) "Mental health services" means all services provided by  
30 (~~regional support networks~~) behavioral health organizations and other  
31 services provided by the state for persons who are mentally ill.

32 (18) "Mentally ill persons," "persons who are mentally ill," and  
33 "the mentally ill" mean persons and conditions defined in subsections  
34 (1), (4), (27), and (28) of this section.

35 (19) "Recovery" means the process in which people are able to live,  
36 work, learn, and participate fully in their communities.

37 (20) "~~(Regional support network)~~ Behavioral health organization"

1 means ((a)) any county authority or group of county authorities or  
2 other entity recognized by the secretary in contract in a defined  
3 region.

4 (21) "Registration records" include all the records of the  
5 department, (~~regional — support — networks~~) behavioral — health  
6 organizations, treatment facilities, and other persons providing  
7 services to the department, county departments, or facilities which  
8 identify persons who are receiving or who at any time have received  
9 services for mental illness.

10 (22) "Research-based" means a program or practice that has been  
11 tested with a single randomized, or statistically controlled  
12 evaluation, or both, demonstrating sustained desirable outcomes; or  
13 where the weight of the evidence from a systemic review supports  
14 sustained outcomes as described in subsection (14) of this section but  
15 does not meet the full criteria for evidence-based.

16 (23) "Residential services" means a complete range of residences  
17 and supports authorized by resource management services and which may  
18 involve a facility, a distinct part thereof, or services which support  
19 community living, for persons who are acutely mentally ill, adults who  
20 are chronically mentally ill, children who are severely emotionally  
21 disturbed, or adults who are seriously disturbed and determined by the  
22 (~~regional support network~~) behavioral health organization to be at  
23 risk of becoming acutely or chronically mentally ill. The services  
24 shall include at least evaluation and treatment services as defined in  
25 chapter 71.05 RCW, acute crisis respite care, long-term adaptive and  
26 rehabilitative care, and supervised and supported living services, and  
27 shall also include any residential services developed to service  
28 persons who are mentally ill in nursing homes, assisted living  
29 facilities, and adult family homes, and may include outpatient services  
30 provided as an element in a package of services in a supported housing  
31 model. Residential services for children in out-of-home placements  
32 related to their mental disorder shall not include the costs of food  
33 and shelter, except for children's long-term residential facilities  
34 existing prior to January 1, 1991.

35 (24) "Resilience" means the personal and community qualities that  
36 enable individuals to rebound from adversity, trauma, tragedy, threats,  
37 or other stresses, and to live productive lives.

1 (25) "Resource management services" mean the planning,  
2 coordination, and authorization of residential services and community  
3 support services administered pursuant to an individual service plan  
4 for: (a) Adults and children who are acutely mentally ill; (b) adults  
5 who are chronically mentally ill; (c) children who are severely  
6 emotionally disturbed; or (d) adults who are seriously disturbed and  
7 determined solely by a (~~regional support network~~) behavioral health  
8 organization to be at risk of becoming acutely or chronically mentally  
9 ill. Such planning, coordination, and authorization shall include  
10 mental health screening for children eligible under the federal Title  
11 XIX early and periodic screening, diagnosis, and treatment program.  
12 Resource management services include seven day a week, twenty-four hour  
13 a day availability of information regarding enrollment of adults and  
14 children who are mentally ill in services and their individual service  
15 plan to designated mental health professionals, evaluation and  
16 treatment facilities, and others as determined by the (~~regional~~  
17 ~~support network~~) behavioral health organization.

18 (26) "Secretary" means the secretary of social and health services.

19 (27) "Seriously disturbed person" means a person who:

20 (a) Is gravely disabled or presents a likelihood of serious harm to  
21 himself or herself or others, or to the property of others, as a result  
22 of a mental disorder as defined in chapter 71.05 RCW;

23 (b) Has been on conditional release status, or under a less  
24 restrictive alternative order, at some time during the preceding two  
25 years from an evaluation and treatment facility or a state mental  
26 health hospital;

27 (c) Has a mental disorder which causes major impairment in several  
28 areas of daily living;

29 (d) Exhibits suicidal preoccupation or attempts; or

30 (e) Is a child diagnosed by a mental health professional, as  
31 defined in chapter 71.34 RCW, as experiencing a mental disorder which  
32 is clearly interfering with the child's functioning in family or school  
33 or with peers or is clearly interfering with the child's personality  
34 development and learning.

35 (28) "Severely emotionally disturbed child" or "child who is  
36 severely emotionally disturbed" means a child who has been determined  
37 by the (~~regional support network~~) behavioral health organization to  
38 be experiencing a mental disorder as defined in chapter 71.34 RCW,

1 including those mental disorders that result in a behavioral or conduct  
2 disorder, that is clearly interfering with the child's functioning in  
3 family or school or with peers and who meets at least one of the  
4 following criteria:

5 (a) Has undergone inpatient treatment or placement outside of the  
6 home related to a mental disorder within the last two years;

7 (b) Has undergone involuntary treatment under chapter 71.34 RCW  
8 within the last two years;

9 (c) Is currently served by at least one of the following child-  
10 serving systems: Juvenile justice, child-protection/welfare, special  
11 education, or developmental disabilities;

12 (d) Is at risk of escalating maladjustment due to:

13 (i) Chronic family dysfunction involving a caretaker who is  
14 mentally ill or inadequate;

15 (ii) Changes in custodial adult;

16 (iii) Going to, residing in, or returning from any placement  
17 outside of the home, for example, psychiatric hospital, short-term  
18 inpatient, residential treatment, group or foster home, or a  
19 correctional facility;

20 (iv) Subject to repeated physical abuse or neglect;

21 (v) Drug or alcohol abuse; or

22 (vi) Homelessness.

23 (29) "State minimum standards" means minimum requirements  
24 established by rules adopted by the secretary and necessary to  
25 implement this chapter for: (a) Delivery of mental health services;  
26 (b) licensed service providers for the provision of mental health  
27 services; (c) residential services; and (d) community support services  
28 and resource management services.

29 (30) "Treatment records" include registration and all other records  
30 concerning persons who are receiving or who at any time have received  
31 services for mental illness, which are maintained by the department, by  
32 (~~regional support networks~~) behavioral health organizations and their  
33 staffs, and by treatment facilities. Treatment records do not include  
34 notes or records maintained for personal use by a person providing  
35 treatment services for the department, (~~regional support networks~~)  
36 behavioral health organizations, or a treatment facility if the notes  
37 or records are not available to others.

1 (31) "Tribal authority," for the purposes of this section and RCW  
2 71.24.300 only, means: The federally recognized Indian tribes and the  
3 major Indian organizations recognized by the secretary insofar as these  
4 organizations do not have a financial relationship with any (~~regional~~  
5 ~~support network~~) behavioral health organization that would present a  
6 conflict of interest.

7 (32) "Behavioral health services" means mental health services as  
8 described in this chapter and chapter 71.36 RCW and chemical dependency  
9 treatment services as described in chapter 70.96A RCW.

10 **Sec. 10.** RCW 71.24.035 and 2013 c 200 s 24 are each amended to  
11 read as follows:

12 (1) The department is designated as the state mental health  
13 authority.

14 (2) The secretary shall provide for public, client, and licensed  
15 service provider participation in developing the state mental health  
16 program, developing contracts with (~~regional—support—networks~~)  
17 behavioral health organizations, and any waiver request to the federal  
18 government under medicaid.

19 (3) The secretary shall provide for participation in developing the  
20 state mental health program for children and other underserved  
21 populations, by including representatives on any committee established  
22 to provide oversight to the state mental health program.

23 (4) The secretary shall be designated as the (~~regional—support~~  
24 ~~network~~) behavioral health organization if the (~~regional—support~~  
25 ~~network~~) behavioral health organization fails to meet state minimum  
26 standards or refuses to exercise responsibilities under RCW 71.24.045,  
27 until such time as a new (~~regional—support network~~) behavioral health  
28 organization is designated (~~under RCW 71.24.320~~).

29 (5) The secretary shall:

30 (a) Develop a biennial state mental health program that  
31 incorporates regional biennial needs assessments and regional mental  
32 health service plans and state services for adults and children with  
33 mental illness(~~(. The secretary shall also develop a six-year state~~  
34 ~~mental health plan))~~);

35 (b) Assure that any (~~regional~~) behavioral health organization or  
36 county community mental health program provides (~~access to treatment~~  
37 ~~for the region's residents, including parents who are respondents in~~

1 dependency cases, in the following order of priority:—(i) Persons with  
2 acute mental illness;—(ii) adults with chronic mental illness and  
3 children who are severely emotionally disturbed; and (iii) persons who  
4 are seriously disturbed.—Such programs shall provide:

5 (A) ~~Outpatient services;~~

6 (B) ~~Emergency care services for twenty four hours per day;~~

7 (C) ~~Day treatment for persons with mental illness which includes~~  
8 ~~training in basic living and social skills, supported work, vocational~~  
9 ~~rehabilitation, — and — day — activities.—Such — services — may — include~~  
10 ~~therapeutic treatment.—In the case of a child, day treatment includes~~  
11 ~~age appropriate — basic — living — and — social — skills, — educational — and~~  
12 ~~prevocational services, day activities, and therapeutic treatment;~~

13 (D) ~~Screening for patients being considered for admission to state~~  
14 ~~mental health facilities to determine the appropriateness of admission;~~

15 (E) ~~Employment services, which may include supported employment,~~  
16 ~~transitional work, placement in competitive employment, and other work-~~  
17 ~~related services, that result in persons with mental illness becoming~~  
18 ~~engaged in meaningful and gainful full or part time work.—Other~~  
19 ~~sources of funding such as the division of vocational rehabilitation~~  
20 ~~may be utilized by the secretary to maximize federal funding and~~  
21 ~~provide for integration of services;~~

22 (F) ~~Consultation and education services; and~~

23 (G) ~~Community support services))~~ medically necessary services to  
24 medicaid recipients consistent with the state's medicaid state plan or  
25 federal waiver authorities, and nonmedicaid services consistent with  
26 priorities established by the department;

27 (c) Develop and adopt rules establishing state minimum standards  
28 for the delivery of mental health services pursuant to RCW 71.24.037  
29 including, but not limited to:

30 (i) Licensed service providers. These rules shall permit a county-  
31 operated mental health program to be licensed as a service provider  
32 subject to compliance with applicable statutes and rules. The  
33 secretary shall provide for deeming of compliance with state minimum  
34 standards for those entities accredited by recognized behavioral health  
35 accrediting bodies recognized and having a current agreement with the  
36 department;

37 (ii) ~~((Regional support networks))~~ Behavioral health organizations;  
38 and

1 (iii) Inpatient services, evaluation and treatment services and  
2 facilities under chapter 71.05 RCW, resource management services, and  
3 community support services;

4 (d) Assure that the special needs of persons who are minorities,  
5 elderly, disabled, children, low-income, and parents who are  
6 respondents in dependency cases are met within the priorities  
7 established in this section;

8 (e) Establish a standard contract or contracts, consistent with  
9 state minimum standards(~~(, RCW 71.24.320 and 71.24.330,)~~) which shall  
10 be used in contracting with (~~(regional support networks)~~) behavioral  
11 health organizations. The standard contract shall include a maximum  
12 fund balance, which shall be consistent with that required by federal  
13 regulations or waiver stipulations;

14 (f) Establish, to the extent possible, a standardized auditing  
15 procedure which is designed to assure compliance with contractual  
16 agreements authorized by this chapter and minimizes paperwork  
17 requirements of (~~(regional support networks)~~) behavioral health  
18 organizations and licensed service providers. The audit procedure  
19 shall focus on the outcomes of service (~~(and not the processes for~~  
20 ~~accomplishing them)~~) as provided in RCW 43.20A.895, 70.320.020, and  
21 71.36.025;

22 (g) Develop and maintain an information system to be used by the  
23 state and (~~(regional support networks)~~) behavioral health organizations  
24 that includes a tracking method which allows the department and  
25 (~~(regional support networks)~~) behavioral health organizations to  
26 identify mental health clients' participation in any mental health  
27 service or public program on an immediate basis. The information  
28 system shall not include individual patient's case history files.  
29 Confidentiality of client information and records shall be maintained  
30 as provided in this chapter and chapter 70.02 RCW;

31 (h) License service providers who meet state minimum standards;

32 (i) (~~(Certify regional support networks that meet state minimum~~  
33 ~~standards;~~

34 (~~+) ) Periodically monitor the compliance of certified (~~(regional~~  
35 ~~support networks)~~) behavioral health organizations and their network of  
36 licensed service providers for compliance with the contract between the  
37 department, the (~~(regional support network)~~) behavioral health~~

1 organization, and federal and state rules at reasonable times and in a  
2 reasonable manner;

3 ~~((k))~~ (j) Fix fees to be paid by evaluation and treatment centers  
4 to the secretary for the required inspections;

5 ~~((l))~~ (k) Monitor and audit ~~((regional—support—networks))~~  
6 behavioral health organizations and licensed service providers as  
7 needed to assure compliance with contractual agreements authorized by  
8 this chapter;

9 ~~((m))~~ (l) Adopt such rules as are necessary to implement the  
10 department's responsibilities under this chapter;

11 ~~((n))~~ (m) Assure the availability of an appropriate amount, as  
12 determined by the legislature in the operating budget by amounts  
13 appropriated for this specific purpose, of community-based,  
14 geographically distributed residential services;

15 ~~((o))~~ (n) Certify crisis stabilization units that meet state  
16 minimum standards;

17 ~~((p))~~ (o) Certify clubhouses that meet state minimum standards;  
18 and

19 ~~((q))~~ (p) Certify triage facilities that meet state minimum  
20 standards.

21 (6) The secretary shall use available resources only for ~~((regional~~  
22 ~~support networks))~~ behavioral health organizations, except:

23 (a) To the extent authorized, and in accordance with any priorities  
24 or conditions specified, in the biennial appropriations act; or

25 (b) To incentivize improved performance with respect to the client  
26 outcomes established in RCW 43.20A.895, 70.320.020, and 71.36.025,  
27 integration of behavioral health and medical services at the clinical  
28 level, and improved care coordination for individuals with complex care  
29 needs.

30 (7) Each ~~((certified regional support network))~~ behavioral health  
31 organization and licensed service provider shall file with the  
32 secretary, on request, such data, statistics, schedules, and  
33 information as the secretary reasonably requires. A ~~((certified~~  
34 ~~regional support network))~~ behavioral health organization or licensed  
35 service provider which, without good cause, fails to furnish any data,  
36 statistics, schedules, or information as requested, or files fraudulent  
37 reports thereof, may have its certification or license revoked or  
38 suspended.

1 (8) The secretary may suspend, revoke, limit, or restrict a  
2 certification or license, or refuse to grant a certification or license  
3 for failure to conform to: (a) The law; (b) applicable rules and  
4 regulations; (c) applicable standards; or (d) state minimum standards.

5 (9) The superior court may restrain any (~~regional—support~~  
6 ~~network~~) behavioral health organization or service provider from  
7 operating without certification or a license or any other violation of  
8 this section. The court may also review, pursuant to procedures  
9 contained in chapter 34.05 RCW, any denial, suspension, limitation,  
10 restriction, or revocation of certification or license, and grant other  
11 relief required to enforce the provisions of this chapter.

12 (10) Upon petition by the secretary, and after hearing held upon  
13 reasonable notice to the facility, the superior court may issue a  
14 warrant to an officer or employee of the secretary authorizing him or  
15 her to enter at reasonable times, and examine the records, books, and  
16 accounts of any (~~regional—support—network~~) behavioral health  
17 organizations or service provider refusing to consent to inspection or  
18 examination by the authority.

19 (11) Notwithstanding the existence or pursuit of any other remedy,  
20 the secretary may file an action for an injunction or other process  
21 against any person or governmental unit to restrain or prevent the  
22 establishment, conduct, or operation of a (~~regional—support—network~~)  
23 behavioral health organization or service provider without  
24 certification or a license under this chapter.

25 (12) The standards for certification of evaluation and treatment  
26 facilities shall include standards relating to maintenance of good  
27 physical and mental health and other services to be afforded persons  
28 pursuant to this chapter and chapters 71.05 and 71.34 RCW, and shall  
29 otherwise assure the effectuation of the purposes of these chapters.

30 (13) The standards for certification of crisis stabilization units  
31 shall include standards that:

32 (a) Permit location of the units at a jail facility if the unit is  
33 physically separate from the general population of the jail;

34 (b) Require administration of the unit by mental health  
35 professionals who direct the stabilization and rehabilitation efforts;  
36 and

37 (c) Provide an environment affording security appropriate with the  
38 alleged criminal behavior and necessary to protect the public safety.

1 (14) The standards for certification of a clubhouse shall at a  
2 minimum include:

3 (a) The facilities may be peer-operated and must be  
4 recovery-focused;

5 (b) Members and employees must work together;

6 (c) Members must have the opportunity to participate in all the  
7 work of the clubhouse, including administration, research, intake and  
8 orientation, outreach, hiring, training and evaluation of staff, public  
9 relations, advocacy, and evaluation of clubhouse effectiveness;

10 (d) Members and staff and ultimately the clubhouse director must be  
11 responsible for the operation of the clubhouse, central to this  
12 responsibility is the engagement of members and staff in all aspects of  
13 clubhouse operations;

14 (e) Clubhouse programs must be comprised of structured activities  
15 including but not limited to social skills training, vocational  
16 rehabilitation, employment training and job placement, and community  
17 resource development;

18 (f) Clubhouse programs must provide in-house educational programs  
19 that significantly utilize the teaching and tutoring skills of members  
20 and assist members by helping them to take advantage of adult education  
21 opportunities in the community;

22 (g) Clubhouse programs must focus on strengths, talents, and  
23 abilities of its members;

24 (h) The work-ordered day may not include medication clinics, day  
25 treatment, or other therapy programs within the clubhouse.

26 (15) The department shall distribute appropriated state and federal  
27 funds in accordance with any priorities, terms, or conditions specified  
28 in the appropriations act.

29 (16) The secretary shall assume all duties assigned to the  
30 nonparticipating ~~((regional – support – networks))~~ behavioral health  
31 organizations under chapters 71.05 and 71.34 RCW and this chapter.  
32 Such responsibilities shall include those which would have been  
33 assigned to the nonparticipating counties in regions where there are  
34 not participating ~~((regional – support – networks))~~ behavioral health  
35 organizations.

36 The ~~((regional – support – networks))~~ behavioral health organizations,  
37 or the secretary's assumption of all responsibilities under chapters  
38 71.05 and 71.34 RCW and this chapter, shall be included in all state

1 and federal plans affecting the state mental health program including  
2 at least those required by this chapter, the medicaid program, and P.L.  
3 99-660. Nothing in these plans shall be inconsistent with the intent  
4 and requirements of this chapter.

5 (17) The secretary shall:

6 (a) Disburse funds for the (~~regional support networks~~) behavioral  
7 health organizations within sixty days of approval of the biennial  
8 contract. The department must either approve or reject the biennial  
9 contract within sixty days of receipt.

10 (b) Enter into biennial contracts with (~~regional support~~  
11 ~~networks~~) behavioral health organizations. The contracts shall be  
12 consistent with available resources. No contract shall be approved  
13 that does not include progress toward meeting the goals of this chapter  
14 by taking responsibility for: (i) Short-term commitments; (ii)  
15 residential care; and (iii) emergency response systems.

16 (c) Notify (~~regional support networks~~) behavioral health  
17 organizations of their allocation of available resources at least sixty  
18 days prior to the start of a new biennial contract period.

19 (d) Deny all or part of the funding allocations to (~~regional~~  
20 ~~support networks~~) behavioral health organizations based solely upon  
21 formal findings of noncompliance with the terms of the (~~regional~~  
22 ~~support network's~~) behavioral health organization's contract with the  
23 department. (~~Regional support networks~~) Behavioral health  
24 organizations disputing the decision of the secretary to withhold  
25 funding allocations are limited to the remedies provided in the  
26 department's contracts with the (~~regional support networks~~)  
27 behavioral health organizations.

28 (18) The department, in cooperation with the state congressional  
29 delegation, shall actively seek waivers of federal requirements and  
30 such modifications of federal regulations as are necessary to allow  
31 federal medicaid reimbursement for services provided by freestanding  
32 evaluation and treatment facilities certified under chapter 71.05 RCW.  
33 The department shall periodically report its efforts to the appropriate  
34 committees of the senate and the house of representatives.

35 **Sec. 11.** RCW 71.24.045 and 2006 c 333 s 105 are each amended to  
36 read as follows:

1       The (~~regional support network~~) behavioral health organization  
2 shall:

3       (1) Contract as needed with licensed service providers. The  
4 (~~regional support network~~) behavioral health organization may, in the  
5 absence of a licensed service provider entity, become a licensed  
6 service provider entity pursuant to minimum standards required for  
7 licensing by the department for the purpose of providing services not  
8 available from licensed service providers;

9       (2) Operate as a licensed service provider if it deems that doing  
10 so is more efficient and cost effective than contracting for services.  
11 When doing so, the (~~regional support network~~) behavioral health  
12 organization shall comply with rules promulgated by the secretary that  
13 shall provide measurements to determine when a (~~regional support~~  
14 ~~network~~) behavioral health organization provided service is more  
15 efficient and cost effective;

16       (3) Monitor and perform biennial fiscal audits of licensed service  
17 providers who have contracted with the (~~regional support network~~)  
18 behavioral health organization to provide services required by this  
19 chapter. The monitoring and audits shall be performed by means of a  
20 formal process which insures that the licensed service providers and  
21 professionals designated in this subsection meet the terms of their  
22 contracts;

23       (4) Assure that the special needs of minorities, the elderly,  
24 (~~disabled~~) individuals with disabilities, children, and low-income  
25 persons are met within the priorities established in this chapter;

26       (5) Maintain patient tracking information in a central location as  
27 required for resource management services and the department's  
28 information system;

29       (6) Collaborate to ensure that policies do not result in an adverse  
30 shift of (~~mentally ill~~) persons with mental illness into state and  
31 local correctional facilities;

32       (7) Work with the department to expedite the enrollment or re-  
33 enrollment of eligible persons leaving state or local correctional  
34 facilities and institutions for mental diseases;

35       (8) (~~If a regional support network is not operated by the~~  
36 ~~county,~~) Work closely with the county designated mental health  
37 professional or county designated crisis responder to maximize  
38 appropriate placement of persons into community services; and

1 (9) Coordinate services for individuals who have received services  
2 through the community mental health system and who become patients at  
3 a state mental hospital to ensure they are transitioned into the  
4 community in accordance with mutually agreed upon discharge plans and  
5 upon determination by the medical director of the state mental hospital  
6 that they no longer need intensive inpatient care.

7 **Sec. 12.** RCW 71.24.100 and 2012 c 117 s 442 are each amended to  
8 read as follows:

9 A county authority or a group of county authorities may enter into  
10 a joint operating agreement to ~~((form))~~ respond to a request for a  
11 detailed plan and contract with the state to operate a ~~((regional~~  
12 ~~support network))~~ behavioral health organization whose boundaries are  
13 consistent with the regional service areas established under section 2  
14 of this act. Any agreement between two or more county authorities  
15 ~~((for the establishment of a regional support network))~~ shall provide:

16 (1) That each county shall bear a share of the cost of mental  
17 health services; and

18 (2) That the treasurer of one participating county shall be the  
19 custodian of funds made available for the purposes of such mental  
20 health services, and that the treasurer may make payments from such  
21 funds upon audit by the appropriate auditing officer of the county for  
22 which he or she is treasurer.

23 **Sec. 13.** RCW 71.24.110 and 1999 c 10 s 7 are each amended to read  
24 as follows:

25 An agreement ~~((for the establishment of a community mental health~~  
26 ~~program))~~ to contract with the state to operate a behavioral health  
27 organization under RCW 71.24.100 may also provide:

28 (1) For the joint supervision or operation of services and  
29 facilities, or for the supervision or operation of service and  
30 facilities by one participating county under contract for the other  
31 participating counties; and

32 (2) For such other matters as are necessary or proper to effectuate  
33 the purposes of this chapter.

34 **Sec. 14.** RCW 71.24.340 and 2005 c 503 s 13 are each amended to  
35 read as follows:

1       The secretary shall require the (~~regional support networks~~)  
2 behavioral health organizations to develop (~~interlocal agreements~~  
3 ~~pursuant to RCW 74.09.555. To this end, the regional support networks~~  
4 ~~shall~~) agreements with city and county jails to accept referrals for  
5 enrollment on behalf of a confined person, prior to the person's  
6 release.

7       **Sec. 15.** RCW 71.24.420 and 2001 c 323 s 2 are each amended to read  
8 as follows:

9       The department shall operate the community mental health service  
10 delivery system authorized under this chapter within the following  
11 constraints:

12       (1) The full amount of federal funds for mental health services,  
13 plus qualifying state expenditures as appropriated in the biennial  
14 operating budget, shall be appropriated to the department each year in  
15 the biennial appropriations act to carry out the provisions of the  
16 community mental health service delivery system authorized in this  
17 chapter.

18       (2) The department may expend funds defined in subsection (1) of  
19 this section in any manner that will effectively accomplish the outcome  
20 measures (~~defined in section 5 of this act~~) established in RCW  
21 43.20A.895 and 71.36.025 and performance measures linked to those  
22 outcomes.

23       (3) The department shall implement strategies that accomplish the  
24 outcome measures (~~identified in section 5 of this act that are within~~  
25 ~~the funding constraints in this section~~) established in RCW  
26 43.20A.895, 70.320.020, and 71.36.025 and performance measures linked  
27 to those outcomes.

28       (4) The department shall monitor expenditures against the  
29 appropriation levels provided for in subsection (1) of this section.

30       **Sec. 16.** RCW 70.96A.020 and 2001 c 13 s 1 are each amended to read  
31 as follows:

32       For the purposes of this chapter the following words and phrases  
33 shall have the following meanings unless the context clearly requires  
34 otherwise:

35       (1) "Alcoholic" means a person who suffers from the disease of  
36 alcoholism.

1 (2) "Alcoholism" means a disease, characterized by a dependency on  
2 alcoholic beverages, loss of control over the amount and circumstances  
3 of use, symptoms of tolerance, physiological or psychological  
4 withdrawal, or both, if use is reduced or discontinued, and impairment  
5 of health or disruption of social or economic functioning.

6 (3) "Approved treatment program" means a discrete program of  
7 chemical dependency treatment provided by a treatment program certified  
8 by the department of social and health services as meeting standards  
9 adopted under this chapter.

10 (4) "Chemical dependency" means:

11 (a) Alcoholism; (b) drug addiction; or (c) dependence on alcohol  
12 and one or more other psychoactive chemicals, as the context requires.

13 (5) "Chemical dependency program" means expenditures and activities  
14 of the department designed and conducted to prevent or treat alcoholism  
15 and other drug addiction, including reasonable administration and  
16 overhead.

17 (6) "Department" means the department of social and health  
18 services.

19 (7) "Designated chemical dependency specialist" or "specialist"  
20 means a person designated by the county alcoholism and other drug  
21 addiction program coordinator designated under RCW 70.96A.310 to  
22 perform the commitment duties described in RCW 70.96A.140 and qualified  
23 to do so by meeting standards adopted by the department.

24 (8) "Director" means the person administering the chemical  
25 dependency program within the department.

26 (9) "Drug addict" means a person who suffers from the disease of  
27 drug addiction.

28 (10) "Drug addiction" means a disease characterized by a dependency  
29 on psychoactive chemicals, loss of control over the amount and  
30 circumstances of use, symptoms of tolerance, physiological or  
31 psychological withdrawal, or both, if use is reduced or discontinued,  
32 and impairment of health or disruption of social or economic  
33 functioning.

34 (11) "Emergency service patrol" means a patrol established under  
35 RCW 70.96A.170.

36 (12) "Gravely disabled by alcohol or other psychoactive chemicals"  
37 or "gravely disabled" means that a person, as a result of the use of  
38 alcohol or other psychoactive chemicals: (a) Is in danger of serious

1 physical harm resulting from a failure to provide for his or her  
2 essential human needs of health or safety; or (b) manifests severe  
3 deterioration in routine functioning evidenced by a repeated and  
4 escalating loss of cognition or volitional control over his or her  
5 actions and is not receiving care as essential for his or her health or  
6 safety.

7 (13) "History of one or more violent acts" refers to the period of  
8 time ten years prior to the filing of a petition under this chapter,  
9 excluding any time spent, but not any violent acts committed, in a  
10 mental health facility, or a long-term alcoholism or drug treatment  
11 facility, or in confinement.

12 (14) "Incapacitated by alcohol or other psychoactive chemicals"  
13 means that a person, as a result of the use of alcohol or other  
14 psychoactive chemicals, is gravely disabled or presents a likelihood of  
15 serious harm to himself or herself, to any other person, or to  
16 property.

17 (15) "Incompetent person" means a person who has been adjudged  
18 incompetent by the superior court.

19 (16) "Intoxicated person" means a person whose mental or physical  
20 functioning is substantially impaired as a result of the use of alcohol  
21 or other psychoactive chemicals.

22 (17) "Licensed physician" means a person licensed to practice  
23 medicine or osteopathic medicine and surgery in the state of  
24 Washington.

25 (18) "Likelihood of serious harm" means:

26 (a) A substantial risk that: (i) Physical harm will be inflicted  
27 by an individual upon his or her own person, as evidenced by threats or  
28 attempts to commit suicide or inflict physical harm on one's self; (ii)  
29 physical harm will be inflicted by an individual upon another, as  
30 evidenced by behavior that has caused the harm or that places another  
31 person or persons in reasonable fear of sustaining the harm; or (iii)  
32 physical harm will be inflicted by an individual upon the property of  
33 others, as evidenced by behavior that has caused substantial loss or  
34 damage to the property of others; or

35 (b) The individual has threatened the physical safety of another  
36 and has a history of one or more violent acts.

37 (19) "Medical necessity" for inpatient care of a minor means a  
38 requested certified inpatient service that is reasonably calculated to:

1 (a) Diagnose, arrest, or alleviate a chemical dependency; or (b)  
2 prevent the worsening of chemical dependency conditions that endanger  
3 life or cause suffering and pain, or result in illness or infirmity or  
4 threaten to cause or aggravate a handicap, or cause physical deformity  
5 or malfunction, and there is no adequate less restrictive alternative  
6 available.

7 (20) "Minor" means a person less than eighteen years of age.

8 (21) "Parent" means the parent or parents who have the legal right  
9 to custody of the child. Parent includes custodian or guardian.

10 (22) "Peace officer" means a law enforcement official of a public  
11 agency or governmental unit, and includes persons specifically given  
12 peace officer powers by any state law, local ordinance, or judicial  
13 order of appointment.

14 (23) "Person" means an individual, including a minor.

15 (24) "Professional person in charge" or "professional person" means  
16 a physician or chemical dependency counselor as defined in rule by the  
17 department, who is empowered by a certified treatment program with  
18 authority to make assessment, admission, continuing care, and discharge  
19 decisions on behalf of the certified program.

20 (25) "Secretary" means the secretary of the department of social  
21 and health services.

22 (26) "Treatment" means the broad range of emergency,  
23 detoxification, residential, and outpatient services and care,  
24 including diagnostic evaluation, chemical dependency education and  
25 counseling, medical, psychiatric, psychological, and social service  
26 care, vocational rehabilitation and career counseling, which may be  
27 extended to alcoholics and other drug addicts and their families,  
28 persons incapacitated by alcohol or other psychoactive chemicals, and  
29 intoxicated persons.

30 (27) "Treatment program" means an organization, institution, or  
31 corporation, public or private, engaged in the care, treatment, or  
32 rehabilitation of alcoholics or other drug addicts.

33 (28) "Violent act" means behavior that resulted in homicide,  
34 attempted suicide, nonfatal injuries, or substantial damage to  
35 property.

36 (29) "Behavioral health organization" means a county authority or  
37 group of county authorities or other entity recognized by the secretary  
38 in contract in a defined regional service area.

1       (30) "Behavioral health services" means mental health services as  
2 described in chapters 71.24 and 71.36 RCW and chemical dependency  
3 treatment services as described in this chapter.

4       **Sec. 17.** RCW 70.96A.040 and 1989 c 270 s 5 are each amended to  
5 read as follows:

6       The department, in the operation of the chemical dependency program  
7 may:

8       (1) Plan, establish, and maintain prevention and treatment programs  
9 as necessary or desirable;

10       (2) Make contracts necessary or incidental to the performance of  
11 its duties and the execution of its powers, including managed care  
12 contracts for behavioral health services, contracts entered into under  
13 RCW 74.09.522, and contracts with public and private agencies,  
14 organizations, and individuals to pay them for services rendered or  
15 furnished to alcoholics or other drug addicts, persons incapacitated by  
16 alcohol or other psychoactive chemicals, or intoxicated persons;

17       (3) Enter into agreements for monitoring of verification of  
18 qualifications of counselors employed by approved treatment programs;

19       (4) Adopt rules under chapter 34.05 RCW to carry out the provisions  
20 and purposes of this chapter and contract, cooperate, and coordinate  
21 with other public or private agencies or individuals for those  
22 purposes;

23       (5) Solicit and accept for use any gift of money or property made  
24 by will or otherwise, and any grant of money, services, or property  
25 from the federal government, the state, or any political subdivision  
26 thereof or any private source, and do all things necessary to cooperate  
27 with the federal government or any of its agencies in making an  
28 application for any grant;

29       (6) Administer or supervise the administration of the provisions  
30 relating to alcoholics, other drug addicts, and intoxicated persons of  
31 any state plan submitted for federal funding pursuant to federal  
32 health, welfare, or treatment legislation;

33       (7) Coordinate its activities and cooperate with chemical  
34 dependency programs in this and other states, and make contracts and  
35 other joint or cooperative arrangements with state, local, or private  
36 agencies in this and other states for the treatment of alcoholics and

1 other drug addicts and their families, persons incapacitated by alcohol  
2 or other psychoactive chemicals, and intoxicated persons and for the  
3 common advancement of chemical dependency programs;

4 (8) Keep records and engage in research and the gathering of  
5 relevant statistics;

6 (9) Do other acts and things necessary or convenient to execute the  
7 authority expressly granted to it;

8 (10) Acquire, hold, or dispose of real property or any interest  
9 therein, and construct, lease, or otherwise provide treatment programs.

10 **Sec. 18.** RCW 70.96A.050 and 2001 c 13 s 2 are each amended to read  
11 as follows:

12 The department shall:

13 (1) Develop, encourage, and foster statewide, regional, and local  
14 plans and programs for the prevention of alcoholism and other drug  
15 addiction, treatment of alcoholics and other drug addicts and their  
16 families, persons incapacitated by alcohol or other psychoactive  
17 chemicals, and intoxicated persons in cooperation with public and  
18 private agencies, organizations, and individuals and provide technical  
19 assistance and consultation services for these purposes;

20 (2) Assure that any behavioral health organization contract or  
21 managed care contract under RCW 74.09.522 for behavioral health  
22 services or program for the treatment of persons with alcohol or drug  
23 use disorders provides medically necessary services to medicaid  
24 recipients. This must include a continuum of mental health and  
25 chemical dependency services consistent with the state's medicaid plan  
26 or federal waiver authorities, and nonmedicaid services consistent with  
27 priorities established by the department;

28 (3) Coordinate the efforts and enlist the assistance of all public  
29 and private agencies, organizations, and individuals interested in  
30 prevention of alcoholism and drug addiction, and treatment of  
31 alcoholics and other drug addicts and their families, persons  
32 incapacitated by alcohol or other psychoactive chemicals, and  
33 intoxicated persons;

34 ((+3)) (4) Cooperate with public and private agencies in  
35 establishing and conducting programs to provide treatment for  
36 alcoholics and other drug addicts and their families, persons

1 incapacitated by alcohol or other psychoactive chemicals, and  
2 intoxicated persons who are clients of the correctional system;  
3 ~~((4))~~ (5) Cooperate with the superintendent of public  
4 instruction, state board of education, schools, police departments,  
5 courts, and other public and private agencies, organizations and  
6 individuals in establishing programs for the prevention of alcoholism  
7 and other drug addiction, treatment of alcoholics or other drug addicts  
8 and their families, persons incapacitated by alcohol or other  
9 psychoactive chemicals, and intoxicated persons, and preparing  
10 curriculum materials thereon for use at all levels of school education;  
11 ~~((5))~~ (6) Prepare, publish, evaluate, and disseminate educational  
12 material dealing with the nature and effects of alcohol and other  
13 psychoactive chemicals and the consequences of their use;  
14 ~~((6))~~ (7) Develop and implement, as an integral part of treatment  
15 programs, an educational program for use in the treatment of alcoholics  
16 or other drug addicts, persons incapacitated by alcohol or other  
17 psychoactive chemicals, and intoxicated persons, which program shall  
18 include the dissemination of information concerning the nature and  
19 effects of alcohol and other psychoactive chemicals, the consequences  
20 of their use, the principles of recovery, and HIV and AIDS;  
21 ~~((7))~~ (8) Organize and foster training programs for persons  
22 engaged in treatment of alcoholics or other drug addicts, persons  
23 incapacitated by alcohol or other psychoactive chemicals, and  
24 intoxicated persons;  
25 ~~((8))~~ (9) Sponsor and encourage research into the causes and  
26 nature of alcoholism and other drug addiction, treatment of alcoholics  
27 and other drug addicts, persons incapacitated by alcohol or other  
28 psychoactive chemicals, and intoxicated persons, and serve as a  
29 clearinghouse for information relating to alcoholism or other drug  
30 addiction;  
31 ~~((9))~~ (10) Specify uniform methods for keeping statistical  
32 information by public and private agencies, organizations, and  
33 individuals, and collect and make available relevant statistical  
34 information, including number of persons treated, frequency of  
35 admission and readmission, and frequency and duration of treatment;  
36 ~~((10))~~ (11) Advise the governor in the preparation of a  
37 comprehensive plan for treatment of alcoholics and other drug addicts,

1 persons incapacitated by alcohol or other psychoactive chemicals, and  
2 intoxicated persons for inclusion in the state's comprehensive health  
3 plan;

4 ~~((+11+))~~ (12) Review all state health, welfare, and treatment plans  
5 to be submitted for federal funding under federal legislation, and  
6 advise the governor on provisions to be included relating to alcoholism  
7 and other drug addiction, persons incapacitated by alcohol or other  
8 psychoactive chemicals, and intoxicated persons;

9 ~~((+12+))~~ (13) Assist in the development of, and cooperate with,  
10 programs for alcohol and other psychoactive chemical education and  
11 treatment for employees of state and local governments and businesses  
12 and industries in the state;

13 ~~((+13+))~~ (14) Use the support and assistance of interested persons  
14 in the community to encourage alcoholics and other drug addicts  
15 voluntarily to undergo treatment;

16 ~~((+14+))~~ (15) Cooperate with public and private agencies in  
17 establishing and conducting programs designed to deal with the problem  
18 of persons operating motor vehicles while intoxicated;

19 ~~((+15+))~~ (16) Encourage general hospitals and other appropriate  
20 health facilities to admit without discrimination alcoholics and other  
21 drug addicts, persons incapacitated by alcohol or other psychoactive  
22 chemicals, and intoxicated persons and to provide them with adequate  
23 and appropriate treatment;

24 ~~((+16+))~~ (17) Encourage all health and disability insurance  
25 programs to include alcoholism and other drug addiction as a covered  
26 illness; and

27 ~~((+17+))~~ (18) Organize and sponsor a statewide program to help  
28 court personnel, including judges, better understand the disease of  
29 alcoholism and other drug addiction and the uses of chemical dependency  
30 treatment programs.

31 **Sec. 19.** RCW 70.96A.080 and 1989 c 270 s 18 are each amended to  
32 read as follows:

33 (1) In coordination with the health care authority, the department  
34 shall establish by ~~((all))~~ appropriate means, ~~((including contracting~~  
35 ~~for services,))~~ a comprehensive and coordinated ~~((discrete))~~ program  
36 for the treatment of ~~((alcoholics and other drug addicts and their~~

1 families, ~~persons incapacitated by alcohol or other psychoactive~~  
2 ~~chemicals, and intoxicated~~) persons with chemical dependency.

3 (2)(a) The program shall include, but not necessarily be limited  
4 to, a continuum of chemical dependency treatment services that  
5 includes:

6 ((~~a~~)) (i) Detoxification services available twenty-four hours a  
7 day;

8 ((~~b~~)) (ii) Residential treatment; ((~~and~~  
9 (~~e~~)) (iii) Outpatient treatment, including medication assisted  
10 treatment; and

11 (iv) Contracts with at least one provider in operation as of  
12 January 1, 2014, for case management and residential treatment services  
13 for pregnant and parenting women.

14 (b) The program may include peer support, supported housing,  
15 supported employment, crisis diversion, or recovery support services.

16 (3) All appropriate public and private resources shall be  
17 coordinated with and used in the program when possible.

18 (4) The department may contract for the use of an approved  
19 treatment program or other individual or organization if the secretary  
20 considers this to be an effective and economical course to follow.

21 (5) By April 1, 2016, treatment provided under this chapter must be  
22 purchased primarily through managed care contracts.

23 **Sec. 20.** RCW 70.96A.320 and 2013 c 320 s 8 are each amended to  
24 read as follows:

25 (1) A county legislative authority, or two or more counties acting  
26 jointly, may establish an alcoholism and other drug addiction program.  
27 If two or more counties jointly establish the program, they shall  
28 designate one county to provide administrative and financial services.

29 (2) To be eligible for funds from the department for the support of  
30 the county alcoholism and other drug addiction program, the county  
31 legislative authority shall establish a county alcoholism and other  
32 drug addiction board under RCW 70.96A.300 and appoint a county  
33 alcoholism and other drug addiction program coordinator under RCW  
34 70.96A.310.

35 (3) The county legislative authority may apply to the department  
36 for financial support for the county program of alcoholism and other

1 drug addiction. To receive financial support, the county legislative  
2 authority shall submit a plan that meets the following conditions:

3 (a) It shall describe the prevention, early intervention, or  
4 recovery support services and activities to be provided;

5 (b) It shall include anticipated expenditures and revenues;

6 (c) It shall be prepared by the county alcoholism and other drug  
7 addiction program board and be adopted by the county legislative  
8 authority;

9 (d) It shall reflect maximum effective use of existing services and  
10 programs; and

11 (e) It shall meet other conditions that the secretary may require.

12 (4) The county may accept and spend gifts, grants, and fees, from  
13 public and private sources, to implement its program of alcoholism and  
14 other drug addiction.

15 (5) The department shall require that any agreement to provide  
16 financial support to a county that performs the activities of a service  
17 coordination organization for alcoholism and other drug addiction  
18 services must incorporate the expected outcomes and criteria to measure  
19 the performance of service coordination organizations as provided in  
20 chapter 70.320 RCW.

21 (6) The county may subcontract for prevention, early intervention,  
22 or recovery support services with approved prevention or treatment  
23 programs.

24 (7) To continue to be eligible for financial support from the  
25 department for the county alcoholism and other drug addiction program,  
26 an increase in state financial support shall not be used to supplant  
27 local funds from a source that was used to support the county  
28 alcoholism and other drug addiction program before the effective date  
29 of the increase.

30 **Sec. 21.** RCW 71.24.049 and 2001 c 323 s 13 are each amended to  
31 read as follows:

32 By January 1st of each odd-numbered year, the (~~regional support~~  
33 ~~network~~) behavioral health organization shall identify: (1) The  
34 number of children in each priority group, as defined by this chapter,  
35 who are receiving mental health services funded in part or in whole  
36 under this chapter, (2) the amount of funds under this chapter used for

1 children's mental health services, (3) an estimate of the number of  
2 unserved children in each priority group, and (4) the estimated cost of  
3 serving these additional children and their families.

4 **Sec. 22.** RCW 71.24.061 and 2007 c 359 s 7 are each amended to read  
5 as follows:

6 (1) The department shall provide flexibility in provider  
7 contracting to (~~regional – support – networks~~) behavioral health  
8 organizations for children's mental health services. Beginning with  
9 2007-2009 biennium contracts, (~~regional support network~~) behavioral  
10 health organization contracts shall authorize (~~regional – support~~  
11 ~~networks~~) behavioral health organizations to allow and encourage  
12 licensed community mental health centers to subcontract with individual  
13 licensed mental health professionals when necessary to meet the need  
14 for an adequate, culturally competent, and qualified children's mental  
15 health provider network.

16 (2) To the extent that funds are specifically appropriated for this  
17 purpose or that nonstate funds are available, a children's mental  
18 health evidence-based practice institute shall be established at the  
19 University of Washington division of public behavioral health and  
20 justice policy. The institute shall closely collaborate with entities  
21 currently engaged in evaluating and promoting the use of evidence-  
22 based, research-based, promising, or consensus-based practices in  
23 children's mental health treatment, including but not limited to the  
24 University of Washington department of psychiatry and behavioral  
25 sciences, children's hospital and regional medical center, the  
26 University of Washington school of nursing, the University of  
27 Washington school of social work, and the Washington state institute  
28 for public policy. To ensure that funds appropriated are used to the  
29 greatest extent possible for their intended purpose, the University of  
30 Washington's indirect costs of administration shall not exceed ten  
31 percent of appropriated funding. The institute shall:

32 (a) Improve the implementation of evidence-based and research-based  
33 practices by providing sustained and effective training and  
34 consultation to licensed children's mental health providers and  
35 child-serving agencies who are implementing evidence-based or  
36 researched-based practices for treatment of children's emotional or  
37 behavioral disorders, or who are interested in adapting these practices

1 to better serve ethnically or culturally diverse children. Efforts  
2 under this subsection should include a focus on appropriate oversight  
3 of implementation of evidence-based practices to ensure fidelity to  
4 these practices and thereby achieve positive outcomes;

5 (b) Continue the successful implementation of the "partnerships for  
6 success" model by consulting with communities so they may select,  
7 implement, and continually evaluate the success of evidence-based  
8 practices that are relevant to the needs of children, youth, and  
9 families in their community;

10 (c) Partner with youth, family members, family advocacy, and  
11 culturally competent provider organizations to develop a series of  
12 information sessions, literature, and online resources for families to  
13 become informed and engaged in evidence-based and research-based  
14 practices;

15 (d) Participate in the identification of outcome-based performance  
16 measures under RCW 71.36.025(2) and partner in a statewide effort to  
17 implement statewide outcomes monitoring and quality improvement  
18 processes; and

19 (e) Serve as a statewide resource to the department and other  
20 entities on child and adolescent evidence-based, research-based,  
21 promising, or consensus-based practices for children's mental health  
22 treatment, maintaining a working knowledge through ongoing review of  
23 academic and professional literature, and knowledge of other evidence-  
24 based practice implementation efforts in Washington and other states.

25 (3) To the extent that funds are specifically appropriated for this  
26 purpose, the department in collaboration with the evidence-based  
27 practice institute shall implement a pilot program to support primary  
28 care providers in the assessment and provision of appropriate diagnosis  
29 and treatment of children with mental and behavioral health disorders  
30 and track outcomes of this program. The program shall be designed to  
31 promote more accurate diagnoses and treatment through timely case  
32 consultation between primary care providers and child psychiatric  
33 specialists, and focused educational learning collaboratives with  
34 primary care providers.

35 **Sec. 23.** RCW 71.24.155 and 2001 c 323 s 14 are each amended to  
36 read as follows:

37 Grants shall be made by the department to (~~regional—support~~

1 ~~networks~~) behavioral health organizations for community mental health  
2 programs totaling not less than ninety-five percent of available  
3 resources. The department may use up to forty percent of the remaining  
4 five percent to provide community demonstration projects, including  
5 early intervention or primary prevention programs for children, and the  
6 remainder shall be for emergency needs and technical assistance under  
7 this chapter.

8 **Sec. 24.** RCW 71.24.160 and 2011 c 343 s 6 are each amended to read  
9 as follows:

10 The (~~regional support networks~~) behavioral health organizations  
11 shall make satisfactory showing to the secretary that state funds shall  
12 in no case be used to replace local funds from any source being used to  
13 finance mental health services prior to January 1, 1990. Maintenance  
14 of effort funds devoted to judicial services related to involuntary  
15 commitment reimbursed under RCW 71.05.730 must be expended for other  
16 purposes that further treatment for mental health and chemical  
17 dependency disorders.

18 **Sec. 25.** RCW 71.24.250 and 2001 c 323 s 16 are each amended to  
19 read as follows:

20 The (~~regional support network~~) behavioral health organization may  
21 accept and expend gifts and grants received from private, county,  
22 state, and federal sources.

23 **Sec. 26.** RCW 71.24.300 and 2008 c 261 s 4 are each amended to read  
24 as follows:

25 (1) Upon the request of a tribal authority or authorities within a  
26 (~~regional support network~~) behavioral health organization the joint  
27 operating agreement or the county authority shall allow for the  
28 inclusion of the tribal authority to be represented as a party to the  
29 (~~regional support network~~) behavioral health organization.

30 (2) The roles and responsibilities of the county and tribal  
31 authorities shall be determined by the terms of that agreement  
32 including a determination of membership on the governing board and  
33 advisory committees, the number of tribal representatives to be party  
34 to the agreement, and the provisions of law and shall assure the  
35 provision of culturally competent services to the tribes served.

1 (3) The state mental health authority may not determine the roles  
2 and responsibilities of county authorities as to each other under  
3 (~~regional support networks~~) behavioral health organizations by rule,  
4 except to assure that all duties required of (~~regional support~~  
5 ~~networks~~) behavioral health organizations are assigned and that  
6 counties and the (~~regional support network~~) behavioral health  
7 organization do not duplicate functions and that a single authority has  
8 final responsibility for all available resources and performance under  
9 the (~~regional support network's~~) behavioral health organization's  
10 contract with the secretary.

11 (4) If a (~~regional support network~~) behavioral health  
12 organization is a private entity, the department shall allow for the  
13 inclusion of the tribal authority to be represented as a party to the  
14 (~~regional support network~~) behavioral health organization.

15 (5) The roles and responsibilities of the private entity and the  
16 tribal authorities shall be determined by the department, through  
17 negotiation with the tribal authority.

18 (6) (~~Regional support networks~~) Behavioral health organizations  
19 shall submit an overall six-year operating and capital plan, timeline,  
20 and budget and submit progress reports and an updated two-year plan  
21 biennially thereafter, to assume within available resources all of the  
22 following duties:

23 (a) Administer and provide for the availability of all resource  
24 management services, residential services, and community support  
25 services.

26 (b) Administer and provide for the availability of all  
27 investigation, transportation, court-related, and other services  
28 provided by the state or counties pursuant to chapter 71.05 RCW.

29 (c) Provide within the boundaries of each (~~regional support~~  
30 ~~network~~) behavioral health organization evaluation and treatment  
31 services for at least ninety percent of persons detained or committed  
32 for periods up to seventeen days according to chapter 71.05 RCW.  
33 (~~Regional support networks~~) Behavioral health organizations may  
34 contract to purchase evaluation and treatment services from other  
35 (~~networks~~) organizations if they are unable to provide for  
36 appropriate resources within their boundaries. Insofar as the original  
37 intent of serving persons in the community is maintained, the secretary  
38 is authorized to approve exceptions on a case-by-case basis to the

1 requirement to provide evaluation and treatment services within the  
2 boundaries of each (~~regional support network~~) behavioral health  
3 organization. Such exceptions are limited to:

4 (i) Contracts with neighboring or contiguous regions; or  
5 (ii) Individuals detained or committed for periods up to seventeen  
6 days at the state hospitals at the discretion of the secretary.

7 (d) Administer and provide for the availability of all other mental  
8 health services, which shall include patient counseling, day treatment,  
9 consultation, education services, employment services as (~~defined~~)  
10 described in RCW 71.24.035, and mental health services to children.

11 (e) Establish standards and procedures for reviewing individual  
12 service plans and determining when that person may be discharged from  
13 resource management services.

14 (7) A (~~regional support network~~) behavioral health organization  
15 may request that any state-owned land, building, facility, or other  
16 capital asset which was ever purchased, deeded, given, or placed in  
17 trust for the care of the persons with mental illness and which is  
18 within the boundaries of a (~~regional support network~~) behavioral  
19 health organization be made available to support the operations of the  
20 (~~regional support network~~) behavioral health organization. State  
21 agencies managing such capital assets shall give first priority to  
22 requests for their use pursuant to this chapter.

23 (8) Each (~~regional support network~~) behavioral health  
24 organization shall appoint a mental health advisory board which shall  
25 review and provide comments on plans and policies developed under this  
26 chapter, provide local oversight regarding the activities of the  
27 (~~regional support network~~) behavioral health organization, and work  
28 with the (~~regional support network~~) behavioral health organization to  
29 resolve significant concerns regarding service delivery and outcomes.  
30 The department shall establish statewide procedures for the operation  
31 of regional advisory committees including mechanisms for advisory board  
32 feedback to the department regarding (~~regional support network~~)  
33 behavioral health organization performance. The composition of the  
34 board shall be broadly representative of the demographic character of  
35 the region and shall include, but not be limited to, representatives of  
36 consumers and families, law enforcement, and where the county is not  
37 the (~~regional support network~~) behavioral health organization, county  
38 elected officials. Composition and length of terms of board members

1 may differ between (~~regional support networks~~) behavioral health  
2 organizations but shall be included in each (~~regional support~~  
3 ~~network's~~) behavioral health organization's contract and approved by  
4 the secretary.

5 (9) (~~Regional support networks~~) Behavioral health organizations  
6 shall assume all duties specified in their plans and joint operating  
7 agreements through biennial contractual agreements with the secretary.

8 (10) (~~Regional support networks~~) Behavioral health organizations  
9 may receive technical assistance from the housing trust fund and may  
10 identify and submit projects for housing and housing support services  
11 to the housing trust fund established under chapter 43.185 RCW.  
12 Projects identified or submitted under this subsection must be fully  
13 integrated with the (~~regional support network~~) behavioral health  
14 organization six-year operating and capital plan, timeline, and budget  
15 required by subsection (6) of this section.

16 **Sec. 27.** RCW 71.24.310 and 2013 2nd sp.s. c 4 s 994 are each  
17 amended to read as follows:

18 The legislature finds that administration of chapter 71.05 RCW and  
19 this chapter can be most efficiently and effectively implemented as  
20 part of the (~~regional support network~~) behavioral health organization  
21 defined in RCW 71.24.025. For this reason, the legislature intends  
22 that the department and the (~~regional support networks~~) behavioral  
23 health organizations shall work together to implement chapter 71.05 RCW  
24 as follows:

25 (1) By June 1, 2006, (~~regional support networks~~) behavioral  
26 health organizations shall recommend to the department the number of  
27 state hospital beds that should be allocated for use by each (~~regional~~  
28 ~~support network~~) behavioral health organization. The statewide total  
29 allocation shall not exceed the number of state hospital beds offering  
30 long-term inpatient care, as defined in this chapter, for which funding  
31 is provided in the biennial appropriations act.

32 (2) If there is consensus among the (~~regional support networks~~)  
33 behavioral health organizations regarding the number of state hospital  
34 beds that should be allocated for use by each (~~regional support~~  
35 ~~network~~) behavioral health organization, the department shall contract  
36 with each (~~regional support network~~) behavioral health organization  
37 accordingly.

1 (3) If there is not consensus among the (~~regional—support~~  
2 ~~networks~~) behavioral health organizations regarding the number of beds  
3 that should be allocated for use by each (~~regional—support—network~~)  
4 behavioral health organization, the department shall establish by  
5 emergency rule the number of state hospital beds that are available for  
6 use by each (~~regional—support—network~~) behavioral health  
7 organization. The emergency rule shall be effective September 1, 2006.  
8 The primary factor used in the allocation shall be the estimated number  
9 of adults with acute and chronic mental illness in each (~~regional~~  
10 ~~support—network~~) behavioral health organization area, based upon  
11 population-adjusted incidence and utilization.

12 (4) The allocation formula shall be updated at least every three  
13 years to reflect demographic changes, and new evidence regarding the  
14 incidence of acute and chronic mental illness and the need for long-  
15 term inpatient care. In the updates, the statewide total allocation  
16 shall include (a) all state hospital beds offering long-term inpatient  
17 care for which funding is provided in the biennial appropriations act;  
18 plus (b) the estimated equivalent number of beds or comparable  
19 diversion services contracted in accordance with subsection (5) of this  
20 section.

21 (5) The department is encouraged to enter performance-based  
22 contracts with (~~regional—support—networks~~) behavioral health  
23 organizations to provide some or all of the (~~regional—support~~  
24 ~~network's~~) behavioral health organization's allocated long-term  
25 inpatient treatment capacity in the community, rather than in the state  
26 hospital. The performance contracts shall specify the number of  
27 patient days of care available for use by the (~~regional—support~~  
28 ~~network~~) behavioral health organization in the state hospital.

29 (6) If a (~~regional—support—network~~) behavioral health  
30 organization uses more state hospital patient days of care than it has  
31 been allocated under subsection (3) or (4) of this section, or than it  
32 has contracted to use under subsection (5) of this section, whichever  
33 is less, it shall reimburse the department for that care, except during  
34 the period of July 1, 2012, through December 31, 2013, where  
35 reimbursements may be temporarily altered per section 204, chapter 4,  
36 Laws of 2013 2nd sp. sess. The reimbursement rate per day shall be the  
37 hospital's total annual budget for long-term inpatient care, divided by  
38 the total patient days of care assumed in development of that budget.

1 (7) One-half of any reimbursements received pursuant to subsection  
2 (6) of this section shall be used to support the cost of operating the  
3 state hospital and, during the 2007-2009 fiscal biennium, implementing  
4 new services that will enable a (~~regional support network~~) behavioral  
5 health organization to reduce its utilization of the state hospital.  
6 The department shall distribute the remaining half of such  
7 reimbursements among (~~regional support networks~~) behavioral health  
8 organizations that have used less than their allocated or contracted  
9 patient days of care at that hospital, proportional to the number of  
10 patient days of care not used.

11 **Sec. 28.** RCW 71.24.350 and 2013 c 23 s 189 are each amended to  
12 read as follows:

13 The department shall require each (~~regional support network~~)  
14 behavioral health organization to provide for a separately funded  
15 mental health ombuds office in each (~~regional support network~~)  
16 behavioral health organization that is independent of the (~~regional~~  
17 ~~support network~~) behavioral health organization. The ombuds office  
18 shall maximize the use of consumer advocates.

19 **Sec. 29.** RCW 71.24.370 and 2006 c 333 s 103 are each amended to  
20 read as follows:

21 (1) Except for monetary damage claims which have been reduced to  
22 final judgment by a superior court, this section applies to all claims  
23 against the state, state agencies, state officials, or state employees  
24 that exist on or arise after March 29, 2006.

25 (2) Except as expressly provided in contracts entered into between  
26 the department and the (~~regional support networks~~) behavioral health  
27 organizations after March 29, 2006, the entities identified in  
28 subsection (3) of this section shall have no claim for declaratory  
29 relief, injunctive relief, judicial review under chapter 34.05 RCW, or  
30 civil liability against the state or state agencies for actions or  
31 inactions performed pursuant to the administration of this chapter with  
32 regard to the following: (a) The allocation or payment of federal or  
33 state funds; (b) the use or allocation of state hospital beds; or (c)  
34 financial responsibility for the provision of inpatient mental health  
35 care.

1 (3) This section applies to counties, (~~regional support networks~~)  
2 behavioral health organizations, and entities which contract to provide  
3 (~~regional support network~~) behavioral health organization services  
4 and their subcontractors, agents, or employees.

5 **Sec. 30.** RCW 71.24.455 and 1997 c 342 s 2 are each amended to read  
6 as follows:

7 (1) The secretary shall select and contract with a (~~regional~~  
8 ~~support network~~) behavioral health organization or private provider to  
9 provide specialized access and services to (~~mentally ill~~) offenders  
10 with mental illness upon release from total confinement within the  
11 department of corrections who have been identified by the department of  
12 corrections and selected by the (~~regional support network~~) behavioral  
13 health organization or private provider as high-priority clients for  
14 services and who meet service program entrance criteria. The program  
15 shall enroll no more than twenty-five offenders at any one time, or a  
16 number of offenders that can be accommodated within the appropriated  
17 funding level, and shall seek to fill any vacancies that occur.

18 (2) Criteria shall include a determination by department of  
19 corrections staff that:

20 (a) The offender suffers from a major mental illness and needs  
21 continued mental health treatment;

22 (b) The offender's previous crime or crimes have been determined by  
23 either the court or department of corrections staff to have been  
24 substantially influenced by the offender's mental illness;

25 (c) It is believed the offender will be less likely to commit  
26 further criminal acts if provided ongoing mental health care;

27 (d) The offender is unable or unlikely to obtain housing and/or  
28 treatment from other sources for any reason; and

29 (e) The offender has at least one year remaining before his or her  
30 sentence expires but is within six months of release to community  
31 housing and is currently housed within a work release facility or any  
32 department of corrections' division of prisons facility.

33 (3) The (~~regional support network~~) behavioral health organization  
34 or private provider shall provide specialized access and services to  
35 the selected offenders. The services shall be aimed at lowering the  
36 risk of recidivism. An oversight committee composed of a  
37 representative of the department, a representative of the selected

1 ((~~regional support network~~)) behavioral health organization or private  
2 provider, and a representative of the department of corrections shall  
3 develop policies to guide the pilot program, provide dispute resolution  
4 including making determinations as to when entrance criteria or  
5 required services may be waived in individual cases, advise the  
6 department of corrections and the ((~~regional support network~~))  
7 behavioral health organization or private provider on the selection of  
8 eligible offenders, and set minimum requirements for service contracts.  
9 The selected ((~~regional support network~~)) behavioral health  
10 organization or private provider shall implement the policies and  
11 service contracts. The following services shall be provided:

12 (a) Intensive case management to include a full range of intensive  
13 community support and treatment in client-to-staff ratios of not more  
14 than ten offenders per case manager including: (i) A minimum of weekly  
15 group and weekly individual counseling; (ii) home visits by the program  
16 manager at least two times per month; and (iii) counseling focusing on  
17 relapse prevention and past, current, or future behavior of the  
18 offender.

19 (b) The case manager shall attempt to locate and procure housing  
20 appropriate to the living and clinical needs of the offender and as  
21 needed to maintain the psychiatric stability of the offender. The  
22 entire range of emergency, transitional, and permanent housing and  
23 involuntary hospitalization must be considered as available housing  
24 options. A housing subsidy may be provided to offenders to defray  
25 housing costs up to a maximum of six thousand six hundred dollars per  
26 offender per year and be administered by the case manager. Additional  
27 funding sources may be used to offset these costs when available.

28 (c) The case manager shall collaborate with the assigned prison,  
29 work release, or community corrections staff during release planning,  
30 prior to discharge, and in ongoing supervision of the offender while  
31 under the authority of the department of corrections.

32 (d) Medications including the full range of psychotropic  
33 medications including atypical antipsychotic medications may be  
34 required as a condition of the program. Medication prescription,  
35 medication monitoring, and counseling to support offender  
36 understanding, acceptance, and compliance with prescribed medication  
37 regimens must be included.

1 (e) A systematic effort to engage offenders to continuously involve  
2 themselves in current and long-term treatment and appropriate  
3 habilitative activities shall be made.

4 (f) Classes appropriate to the clinical and living needs of the  
5 offender and appropriate to his or her level of understanding.

6 (g) The case manager shall assist the offender in the application  
7 and qualification for entitlement funding, including medicaid, state  
8 assistance, and other available government and private assistance at  
9 any point that the offender is qualified and resources are available.

10 (h) The offender shall be provided access to daily activities such  
11 as drop-in centers, prevocational and vocational training and jobs, and  
12 volunteer activities.

13 (4) Once an offender has been selected into the pilot program, the  
14 offender shall remain in the program until the end of his or her  
15 sentence or unless the offender is released from the pilot program  
16 earlier by the department of corrections.

17 (5) Specialized training in the management and supervision of high-  
18 crime risk (~~mentally-ill~~) offenders with mental illness shall be  
19 provided to all participating mental health providers by the department  
20 and the department of corrections prior to their participation in the  
21 program and as requested thereafter.

22 (6) The pilot program provided for in this section must be  
23 providing services by July 1, 1998.

24 **Sec. 31.** RCW 71.24.470 and 2009 c 319 s 1 are each amended to read  
25 as follows:

26 (1) The secretary shall contract, to the extent that funds are  
27 appropriated for this purpose, for case management services and such  
28 other services as the secretary deems necessary to assist offenders  
29 identified under RCW 72.09.370 for participation in the offender  
30 reentry community safety program. The contracts may be with (~~regional~~  
31 ~~support-networks~~) behavioral health organizations or any other  
32 qualified and appropriate entities.

33 (2) The case manager has the authority to assist these offenders in  
34 obtaining the services, as set forth in the plan created under RCW  
35 72.09.370(2), for up to five years. The services may include  
36 coordination of mental health services, assistance with unfunded  
37 medical expenses, obtaining chemical dependency treatment, housing,

1 employment services, educational or vocational training, independent  
2 living skills, parenting education, anger management services, and such  
3 other services as the case manager deems necessary.

4 (3) The legislature intends that funds appropriated for the  
5 purposes of RCW 72.09.370, 71.05.145, and 71.05.212, and this section  
6 and distributed to the ((~~regional support networks~~)) behavioral health  
7 organizations are to supplement and not to supplant general funding.  
8 Funds appropriated to implement RCW 72.09.370, 71.05.145, and  
9 71.05.212, and this section are not to be considered available  
10 resources as defined in RCW 71.24.025 and are not subject to the  
11 priorities, terms, or conditions in the appropriations act established  
12 pursuant to RCW 71.24.035.

13 (4) The offender reentry community safety program was formerly  
14 known as the community integration assistance program.

15 **Sec. 32.** RCW 71.24.480 and 2009 c 319 s 2 are each amended to read  
16 as follows:

17 (1) A licensed service provider or ((~~regional support network~~))  
18 behavioral health organization, acting in the course of the provider's  
19 or ((~~network's~~)) organization's duties under this chapter, is not  
20 liable for civil damages resulting from the injury or death of another  
21 caused by a participant in the offender reentry community safety  
22 program who is a client of the provider or ((~~network~~)) organization,  
23 unless the act or omission of the provider or ((~~network~~)) organization  
24 constitutes:

25 (a) Gross negligence;

26 (b) Willful or wanton misconduct; or

27 (c) A breach of the duty to warn of and protect from a client's  
28 threatened violent behavior if the client has communicated a serious  
29 threat of physical violence against a reasonably ascertainable victim  
30 or victims.

31 (2) In addition to any other requirements to report violations, the  
32 licensed service provider and ((~~regional support network~~)) behavioral  
33 health organization shall report an offender's expressions of intent to  
34 harm or other predatory behavior, regardless of whether there is an  
35 ascertainable victim, in progress reports and other established  
36 processes that enable courts and supervising entities to assess and  
37 address the progress and appropriateness of treatment.

1 (3) A licensed service provider's or (~~regional support network's~~)  
2 behavioral health organization's mere act of treating a participant in  
3 the offender reentry community safety program is not negligence.  
4 Nothing in this subsection alters the licensed service provider's or  
5 (~~regional support network's~~) behavioral health organization's normal  
6 duty of care with regard to the client.

7 (4) The limited liability provided by this section applies only to  
8 the conduct of licensed service providers and (~~regional support~~  
9 ~~networks~~) behavioral health organizations and does not apply to  
10 conduct of the state.

11 (5) For purposes of this section, "participant in the offender  
12 reentry community safety program" means a person who has been  
13 identified under RCW 72.09.370 as an offender who: (a) Is reasonably  
14 believed to be dangerous to himself or herself or others; and (b) has  
15 a mental disorder.

16 **Sec. 33.** RCW 71.24.845 and 2013 c 230 s 1 are each amended to read  
17 as follows:

18 The (~~regional support networks~~) behavioral health organizations  
19 shall jointly develop a uniform transfer agreement to govern the  
20 transfer of clients between (~~regional support networks~~) behavioral  
21 health organizations. By September 1, 2013, the (~~regional support~~  
22 ~~networks~~) behavioral health organizations shall submit the uniform  
23 transfer agreement to the department. By December 1, 2013, the  
24 department shall establish guidelines to implement the uniform transfer  
25 agreement and may modify the uniform transfer agreement as necessary to  
26 avoid impacts on state administrative systems.

27 **Sec. 34.** RCW 71.24.055 and 2007 c 359 s 4 are each amended to read  
28 as follows:

29 As part of the system transformation initiative, the department of  
30 social and health services shall undertake the following activities  
31 related specifically to children's mental health services:

32 (1) The development of recommended revisions to the access to care  
33 standards for children. The recommended revisions shall reflect the  
34 policies and principles set out in RCW 71.36.005, 71.36.010, and  
35 71.36.025, and recognize that early identification, intervention and  
36 prevention services, and brief intervention services may be provided

1 outside of the ((~~regional — support — network~~)) behavioral health  
2 organization system. Revised access to care standards shall assess a  
3 child's need for mental health services based upon the child's  
4 diagnosis and its negative impact upon his or her persistent impaired  
5 functioning in family, school, or the community, and should not solely  
6 condition the receipt of services upon a determination that a child is  
7 engaged in high risk behavior or is in imminent need of hospitalization  
8 or out-of-home placement. Assessment and diagnosis for children under  
9 five years of age shall be determined using a nationally accepted  
10 assessment tool designed specifically for children of that age. The  
11 recommendations shall also address whether amendments to RCW 71.24.025  
12 ((~~(26) and~~)) (27) and (28) and 71.24.035(5) are necessary to implement  
13 revised access to care standards;

14 (2) Development of a revised children's mental health benefit  
15 package. The department shall ensure that services included in the  
16 children's mental health benefit package reflect the policies and  
17 principles included in RCW 71.36.005 and 71.36.025, to the extent  
18 allowable under medicaid, Title XIX of the federal social security act.  
19 Strong consideration shall be given to developmentally appropriate  
20 evidence-based and research-based practices, family-based  
21 interventions, the use of natural and peer supports, and community  
22 support services. This effort shall include a review of other states'  
23 efforts to fund family-centered children's mental health services  
24 through their medicaid programs;

25 (3) Consistent with the timeline developed for the system  
26 transformation initiative, recommendations for revisions to the  
27 children's access to care standards and the children's mental health  
28 services benefits package shall be presented to the legislature by  
29 January 1, 2009.

30 **Sec. 35.** RCW 71.24.065 and 2007 c 359 s 10 are each amended to  
31 read as follows:

32 To the extent funds are specifically appropriated for this purpose,  
33 the department of social and health services shall contract for  
34 implementation of a wraparound model of integrated children's mental  
35 health services delivery in up to four ((~~regional — support — network~~))  
36 behavioral health organization regions in Washington state in which  
37 wraparound programs are not currently operating, and in up to two

1 ((~~regional support network~~)) behavioral health organization regions in  
2 which wraparound programs are currently operating. Contracts in  
3 regions with existing wraparound programs shall be for the purpose of  
4 expanding the number of children served.

5 (1) Funding provided may be expended for: Costs associated with a  
6 request for proposal and contracting process; administrative costs  
7 associated with successful bidders' operation of the wraparound model;  
8 the evaluation under subsection (5) of this section; and funding for  
9 services needed by children enrolled in wraparound model sites that are  
10 not otherwise covered under existing state programs. The services  
11 provided through the wraparound model sites shall include, but not be  
12 limited to, services covered under the medicaid program. The  
13 department shall maximize the use of medicaid and other existing state-  
14 funded programs as a funding source. However, state funds provided may  
15 be used to develop a broader service package to meet needs identified  
16 in a child's care plan. Amounts provided shall supplement, and not  
17 supplant, state, local, or other funding for services that a child  
18 being served through a wraparound site would otherwise be eligible to  
19 receive.

20 (2) The wraparound model sites shall serve children with serious  
21 emotional or behavioral disturbances who are at high risk of  
22 residential or correctional placement or psychiatric hospitalization,  
23 and who have been referred for services from the department, a county  
24 juvenile court, a tribal court, a school, or a licensed mental health  
25 provider or agency.

26 (3) Through a request for proposal process, the department shall  
27 contract, with ((~~regional — support — networks~~)) behavioral \_ health  
28 organizations, alone or in partnership with either educational service  
29 districts or entities licensed to provide mental health services to  
30 children with serious emotional or behavioral disturbances, to operate  
31 the wraparound model sites. The contractor shall provide care  
32 coordination and facilitate the delivery of services and other supports  
33 to families using a strength-based, highly individualized wraparound  
34 process. The request for proposal shall require that:

35 (a) The ((~~regional support network~~)) behavioral health organization  
36 agree to use its medicaid revenues to fund services included in the  
37 existing ((~~regional — support — network's~~)) behavioral \_ health

1 organization's benefit package that a medicaid-eligible child  
2 participating in the wraparound model site is determined to need;

3 (b) The contractor provide evidence of commitments from at least  
4 the following entities to participate in wraparound care plan  
5 development and service provision when appropriate: Community mental  
6 health agencies, schools, the department of social and health services  
7 children's administration, juvenile courts, the department of social  
8 and health services juvenile rehabilitation administration, and managed  
9 health care systems contracting with the department under RCW  
10 74.09.522; and

11 (c) The contractor will operate the wraparound model site in a  
12 manner that maintains fidelity to the wraparound process as defined in  
13 RCW 71.36.010.

14 (4) Contracts for operation of the wraparound model sites shall be  
15 executed on or before April 1, 2008, with enrollment and service  
16 delivery beginning on or before July 1, 2008.

17 (5) The evidence-based practice institute established in RCW  
18 71.24.061 shall evaluate the wraparound model sites, measuring outcomes  
19 for children served. Outcomes measured shall include, but are not  
20 limited to: Decreased out-of-home placement, including residential,  
21 group, and foster care, and increased stability of such placements,  
22 school attendance, school performance, recidivism, emergency room  
23 utilization, involvement with the juvenile justice system, decreased  
24 use of psychotropic medication, and decreased hospitalization.

25 (6) The evidence-based practice institute shall provide a report  
26 and recommendations to the appropriate committees of the legislature by  
27 December 1, 2010.

28 **Sec. 36.** RCW 71.24.240 and 2005 c 503 s 10 are each amended to  
29 read as follows:

30 In order to establish eligibility for funding under this chapter,  
31 any (~~regional support network~~) behavioral health organization seeking  
32 to obtain federal funds for the support of any aspect of a community  
33 mental health program as defined in this chapter shall submit program  
34 plans to the secretary for prior review and approval before such plans  
35 are submitted to any federal agency.

1       **Sec. 37.** RCW 71.24.320 and 2008 c 261 s 5 are each amended to read  
2 as follows:

3       (1) If an existing (~~(regional support network)~~) behavioral health  
4 organization chooses not to respond to a request for qualifications, or  
5 is unable to substantially meet the requirements of a request for  
6 qualifications, or notifies the department of social and health  
7 services it will no longer serve as a (~~(regional support network)~~)  
8 behavioral health organization, the department shall utilize a  
9 procurement process in which other entities recognized by the secretary  
10 may bid to serve as the (~~(regional support network)~~) behavioral health  
11 organization.

12       (a) The request for proposal shall include a scoring factor for  
13 proposals that include additional financial resources beyond that  
14 provided by state appropriation or allocation.

15       (b) The department shall provide detailed briefings to all bidders  
16 in accordance with department and state procurement policies.

17       (c) The request for proposal shall also include a scoring factor  
18 for proposals submitted by nonprofit entities that include a component  
19 to maximize the utilization of state provided resources and the  
20 leverage of other funds for the support of mental health services to  
21 persons with mental illness.

22       (2) A (~~(regional support network)~~) behavioral health organization  
23 that voluntarily terminates, refuses to renew, or refuses to sign a  
24 mandatory amendment to its contract to act as a (~~(regional support~~  
25 ~~network)~~) behavioral health organization is prohibited from responding  
26 to a procurement under this section or serving as a (~~(regional support~~  
27 ~~network)~~) behavioral health organization for five years from the date  
28 that the department signs a contract with the entity that will serve as  
29 the (~~(regional support network)~~) behavioral health organization.

30       **Sec. 38.** RCW 71.24.330 and 2013 c 320 s 9 are each amended to read  
31 as follows:

32       (1)(a) Contracts between a (~~(regional support network)~~) behavioral  
33 health organization and the department shall include mechanisms for  
34 monitoring performance under the contract and remedies for failure to  
35 substantially comply with the requirements of the contract including,  
36 but not limited to, financial penalties, termination of the contract,  
37 and reprocurement of the contract.

1 (b) The department shall incorporate the criteria to measure the  
2 performance of service coordination organizations into contracts with  
3 (~~regional support networks~~) behavioral health organizations as  
4 provided in chapter 70.320 RCW.

5 (2) The (~~regional support network~~) behavioral health organization  
6 procurement processes shall encourage the preservation of  
7 infrastructure previously purchased by the community mental health  
8 service delivery system, the maintenance of linkages between other  
9 services and delivery systems, and maximization of the use of available  
10 funds for services versus profits. However, a (~~regional support~~  
11 ~~network~~) behavioral health organization selected through the  
12 procurement process is not required to contract for services with any  
13 county-owned or operated facility. The (~~regional support network~~)  
14 behavioral health organization procurement process shall provide that  
15 public funds appropriated by the legislature shall not be used to  
16 promote or deter, encourage, or discourage employees from exercising  
17 their rights under Title 29, chapter 7, subchapter II, United States  
18 Code or chapter 41.56 RCW.

19 (3) In addition to the requirements of RCW 71.24.035, contracts  
20 shall:

21 (a) Define administrative costs and ensure that the (~~regional~~  
22 ~~support network~~) behavioral health organization does not exceed an  
23 administrative cost of ten percent of available funds;

24 (b) Require effective collaboration with law enforcement, criminal  
25 justice agencies, and the chemical dependency treatment system;

26 (c) Require substantial implementation of department adopted  
27 integrated screening and assessment process and matrix of best  
28 practices;

29 (d) Maintain the decision-making independence of designated mental  
30 health professionals;

31 (e) Except at the discretion of the secretary or as specified in  
32 the biennial budget, require (~~regional support networks~~) behavioral  
33 health organizations to pay the state for the costs associated with  
34 individuals who are being served on the grounds of the state hospitals  
35 and who are not receiving long-term inpatient care as defined in RCW  
36 71.24.025;

37 (f) Include a negotiated alternative dispute resolution clause; and

1 (g) Include a provision requiring either party to provide one  
2 hundred eighty days' notice of any issue that may cause either party to  
3 voluntarily terminate, refuse to renew, or refuse to sign a mandatory  
4 amendment to the contract to act as a (~~regional-support-network~~)  
5 behavioral health organization. If either party decides to voluntarily  
6 terminate, refuse to renew, or refuse to sign a mandatory amendment to  
7 the contract to serve as a (~~regional-support-network~~) behavioral  
8 health organization they shall provide ninety days' advance notice in  
9 writing to the other party.

10 **Sec. 39.** RCW 71.24.360 and 2012 c 91 s 1 are each amended to read  
11 as follows:

12 (1) The department may establish new (~~regional-support-network~~)  
13 behavioral health organization boundaries in any part of the state:

14 (a) Where more than one (~~network~~) organization chooses not to  
15 respond to, or is unable to substantially meet the requirements of, the  
16 request for qualifications under RCW 71.24.320;

17 (b) Where a (~~regional-support-network~~) behavioral health  
18 organization is subject to reprocurement under RCW 71.24.330; or

19 (c) Where two or more (~~regional-support-networks~~) behavioral  
20 health organizations propose to reconfigure themselves to achieve  
21 consolidation, in which case the procurement process described in RCW  
22 71.24.320 and 71.24.330(2) does not apply.

23 (2) The department may establish no fewer than six and no more than  
24 fourteen (~~regional-support-networks~~) behavioral health organizations  
25 under this chapter. No entity shall be responsible for more than three  
26 (~~regional-support-networks~~) behavioral health organizations.

27 **Sec. 40.** RCW 71.24.405 and 2001 c 323 s 19 are each amended to  
28 read as follows:

29 The department shall establish a comprehensive and collaborative  
30 effort within (~~regional-support-networks~~) behavioral health  
31 organizations and with local mental health service providers aimed at  
32 creating innovative and streamlined community mental health service  
33 delivery systems, in order to carry out the purposes set forth in RCW  
34 71.24.400 and to capture the diversity of the community mental health  
35 service delivery system.

36 The department must accomplish the following:

1 (1) Identification, review, and cataloging of all rules,  
2 regulations, duplicative administrative and monitoring functions, and  
3 other requirements that currently lead to inefficiencies in the  
4 community mental health service delivery system and, if possible,  
5 eliminate the requirements;

6 (2) The systematic and incremental development of a single system  
7 of accountability for all federal, state, and local funds provided to  
8 the community mental health service delivery system. Systematic  
9 efforts should be made to include federal and local funds into the  
10 single system of accountability;

11 (3) The elimination of process regulations and related contract and  
12 reporting requirements. In place of the regulations and requirements,  
13 a set of outcomes for mental health adult and children clients  
14 according to chapter 71.24 RCW must be used to measure the performance  
15 of mental health service providers and (~~regional support networks~~)  
16 behavioral health organizations. Such outcomes shall focus on  
17 stabilizing out-of-home and hospital care, increasing stable community  
18 living, increasing age-appropriate activities, achieving family and  
19 consumer satisfaction with services, and system efficiencies;

20 (4) Evaluation of the feasibility of contractual agreements between  
21 the department of social and health services and (~~regional support~~  
22 ~~networks~~) behavioral health organizations and mental health service  
23 providers that link financial incentives to the success or failure of  
24 mental health service providers and (~~regional support networks~~)  
25 behavioral health organizations to meet outcomes established for mental  
26 health service clients;

27 (5) The involvement of mental health consumers and their  
28 representatives. Mental health consumers and their representatives  
29 will be involved in the development of outcome standards for mental  
30 health clients under section 5 of this act; and

31 (6) An independent evaluation component to measure the success of  
32 the department in fully implementing the provisions of RCW 71.24.400  
33 and this section.

34 **Sec. 41.** RCW 71.24.430 and 2001 c 323 s 3 are each amended to read  
35 as follows:

36 (1) The department shall ensure the coordination of allied services  
37 for mental health clients. The department shall implement strategies

1 for resolving organizational, regulatory, and funding issues at all  
2 levels of the system, including the state, the (~~regional-support~~  
3 ~~networks~~) behavioral health organizations, and local service  
4 providers.

5 (2) The department shall propose, in operating budget requests,  
6 transfers of funding among programs to support collaborative service  
7 delivery to persons who require services from multiple department  
8 programs. The department shall report annually to the appropriate  
9 committees of the senate and house of representatives on actions and  
10 projects it has taken to promote collaborative service delivery.

11 **Sec. 42.** RCW 74.09.522 and 2013 2nd sp.s. c 17 s 13 are each  
12 amended to read as follows:

13 (1) For the purposes of this section:

14 (a) "Managed health care system" means any health care  
15 organization, including health care providers, insurers, health care  
16 service contractors, health maintenance organizations, health insuring  
17 organizations, or any combination thereof, that provides directly or by  
18 contract health care services covered under this chapter and rendered  
19 by licensed providers, on a prepaid capitated basis and that meets the  
20 requirements of section 1903(m)(1)(A) of Title XIX of the federal  
21 social security act or federal demonstration waivers granted under  
22 section 1115(a) of Title XI of the federal social security act;

23 (b) "Nonparticipating provider" means a person, health care  
24 provider, practitioner, facility, or entity, acting within their scope  
25 of practice, that does not have a written contract to participate in a  
26 managed health care system's provider network, but provides health care  
27 services to enrollees of programs authorized under this chapter whose  
28 health care services are provided by the managed health care system.

29 (2) The authority shall enter into agreements with managed health  
30 care systems to provide health care services to recipients of temporary  
31 assistance for needy families under the following conditions:

32 (a) Agreements shall be made for at least thirty thousand  
33 recipients statewide;

34 (b) Agreements in at least one county shall include enrollment of  
35 all recipients of temporary assistance for needy families;

36 (c) To the extent that this provision is consistent with section  
37 1903(m) of Title XIX of the federal social security act or federal

1 demonstration waivers granted under section 1115(a) of Title XI of the  
2 federal social security act, recipients shall have a choice of systems  
3 in which to enroll and shall have the right to terminate their  
4 enrollment in a system: PROVIDED, That the authority may limit  
5 recipient termination of enrollment without cause to the first month of  
6 a period of enrollment, which period shall not exceed twelve months:  
7 AND PROVIDED FURTHER, That the authority shall not restrict a  
8 recipient's right to terminate enrollment in a system for good cause as  
9 established by the authority by rule;

10 (d) To the extent that this provision is consistent with section  
11 1903(m) of Title XIX of the federal social security act, participating  
12 managed health care systems shall not enroll a disproportionate number  
13 of medical assistance recipients within the total numbers of persons  
14 served by the managed health care systems, except as authorized by the  
15 authority under federal demonstration waivers granted under section  
16 1115(a) of Title XI of the federal social security act;

17 (e)(i) In negotiating with managed health care systems the  
18 authority shall adopt a uniform procedure to enter into contractual  
19 arrangements, to be included in contracts issued or renewed on or after  
20 January 1, 2015, including:

21 (A) Standards regarding the quality of services to be provided;

22 (B) The financial integrity of the responding system;

23 (C) Provider reimbursement methods that incentivize chronic care  
24 management within health homes, including comprehensive medication  
25 management services for patients with multiple chronic conditions  
26 consistent with the findings and goals established in RCW 74.09.5223;

27 (D) Provider reimbursement methods that reward health homes that,  
28 by using chronic care management, reduce emergency department and  
29 inpatient use;

30 (E) Promoting provider participation in the program of training and  
31 technical assistance regarding care of people with chronic conditions  
32 described in RCW 43.70.533, including allocation of funds to support  
33 provider participation in the training, unless the managed care system  
34 is an integrated health delivery system that has programs in place for  
35 chronic care management;

36 (F) Provider reimbursement methods within the medical billing  
37 processes that incentivize pharmacists or other qualified providers

1 licensed in Washington state to provide comprehensive medication  
2 management services consistent with the findings and goals established  
3 in RCW 74.09.5223; (~~and~~)

4 (G) Evaluation and reporting on the impact of comprehensive  
5 medication management services on patient clinical outcomes and total  
6 health care costs, including reductions in emergency department  
7 utilization, hospitalization, and drug costs; and

8 (H) Established consistent processes to incentivize integration of  
9 behavioral health services in the primary care setting, promoting care  
10 that is integrated, collaborative, co-located, and preventive.

11 (ii)(A) Health home services contracted for under this subsection  
12 may be prioritized to enrollees with complex, high cost, or multiple  
13 chronic conditions.

14 (B) Contracts that include the items in (e)(i)(C) through (G) of  
15 this subsection must not exceed the rates that would be paid in the  
16 absence of these provisions;

17 (f) The authority shall seek waivers from federal requirements as  
18 necessary to implement this chapter;

19 (g) The authority shall, wherever possible, enter into prepaid  
20 capitation contracts that include inpatient care. However, if this is  
21 not possible or feasible, the authority may enter into prepaid  
22 capitation contracts that do not include inpatient care;

23 (h) The authority shall define those circumstances under which a  
24 managed health care system is responsible for out-of-plan services and  
25 assure that recipients shall not be charged for such services;

26 (i) Nothing in this section prevents the authority from entering  
27 into similar agreements for other groups of people eligible to receive  
28 services under this chapter; and

29 (j) The authority must consult with the federal center for medicare  
30 and medicaid innovation and seek funding opportunities to support  
31 health homes.

32 (3) The authority shall ensure that publicly supported community  
33 health centers and providers in rural areas, who show serious intent  
34 and apparent capability to participate as managed health care systems  
35 are seriously considered as contractors. The authority shall  
36 coordinate its managed care activities with activities under chapter  
37 70.47 RCW.

1 (4) The authority shall work jointly with the state of Oregon and  
2 other states in this geographical region in order to develop  
3 recommendations to be presented to the appropriate federal agencies and  
4 the United States congress for improving health care of the poor, while  
5 controlling related costs.

6 (5) The legislature finds that competition in the managed health  
7 care marketplace is enhanced, in the long term, by the existence of a  
8 large number of managed health care system options for medicaid  
9 clients. In a managed care delivery system, whose goal is to focus on  
10 prevention, primary care, and improved enrollee health status,  
11 continuity in care relationships is of substantial importance, and  
12 disruption to clients and health care providers should be minimized.  
13 To help ensure these goals are met, the following principles shall  
14 guide the authority in its healthy options managed health care  
15 purchasing efforts:

16 (a) All managed health care systems should have an opportunity to  
17 contract with the authority to the extent that minimum contracting  
18 requirements defined by the authority are met, at payment rates that  
19 enable the authority to operate as far below appropriated spending  
20 levels as possible, consistent with the principles established in this  
21 section.

22 (b) Managed health care systems should compete for the award of  
23 contracts and assignment of medicaid beneficiaries who do not  
24 voluntarily select a contracting system, based upon:

25 (i) Demonstrated commitment to or experience in serving low-income  
26 populations;

27 (ii) Quality of services provided to enrollees;

28 (iii) Accessibility, including appropriate utilization, of services  
29 offered to enrollees;

30 (iv) Demonstrated capability to perform contracted services,  
31 including ability to supply an adequate provider network;

32 (v) Payment rates; and

33 (vi) The ability to meet other specifically defined contract  
34 requirements established by the authority, including consideration of  
35 past and current performance and participation in other state or  
36 federal health programs as a contractor.

37 (c) Consideration should be given to using multiple year  
38 contracting periods.

1 (d) Quality, accessibility, and demonstrated commitment to serving  
2 low-income populations shall be given significant weight in the  
3 contracting, evaluation, and assignment process.

4 (e) All contractors that are regulated health carriers must meet  
5 state minimum net worth requirements as defined in applicable state  
6 laws. The authority shall adopt rules establishing the minimum net  
7 worth requirements for contractors that are not regulated health  
8 carriers. This subsection does not limit the authority of the  
9 Washington state health care authority to take action under a contract  
10 upon finding that a contractor's financial status seriously jeopardizes  
11 the contractor's ability to meet its contract obligations.

12 (f) Procedures for resolution of disputes between the authority and  
13 contract bidders or the authority and contracting carriers related to  
14 the award of, or failure to award, a managed care contract must be  
15 clearly set out in the procurement document.

16 (6) The authority may apply the principles set forth in subsection  
17 (5) of this section to its managed health care purchasing efforts on  
18 behalf of clients receiving supplemental security income benefits to  
19 the extent appropriate.

20 (7) By April 1, 2016, any contract with a managed health care  
21 system to provide services to medical assistance enrollees shall  
22 require that managed health care systems offer contracts to behavioral  
23 health organizations, mental health providers, or chemical dependency  
24 treatment providers to provide access to primary care services  
25 integrated into behavioral health clinical settings, for individuals  
26 with behavioral health and medical comorbidities.

27 (8) Managed health care system contracts effective on or after  
28 April 1, 2016, shall serve geographic areas that correspond to the  
29 regional service areas established in section 2 of this act.

30 (9) A managed health care system shall pay a nonparticipating  
31 provider that provides a service covered under this chapter to the  
32 system's enrollee no more than the lowest amount paid for that service  
33 under the managed health care system's contracts with similar providers  
34 in the state.

35 ((+8)) (10) For services covered under this chapter to medical  
36 assistance or medical care services enrollees and provided on or after  
37 August 24, 2011, nonparticipating providers must accept as payment in  
38 full the amount paid by the managed health care system under subsection

1 (7) of this section in addition to any deductible, coinsurance, or  
2 copayment that is due from the enrollee for the service provided. An  
3 enrollee is not liable to any nonparticipating provider for covered  
4 services, except for amounts due for any deductible, coinsurance, or  
5 copayment under the terms and conditions set forth in the managed  
6 health care system contract to provide services under this section.

7 ~~((+9))~~ (11) Pursuant to federal managed care access standards, 42  
8 C.F.R. Sec. 438, managed health care systems must maintain a network of  
9 appropriate providers that is supported by written agreements  
10 sufficient to provide adequate access to all services covered under the  
11 contract with the authority, including hospital-based physician  
12 services. The authority will monitor and periodically report on the  
13 proportion of services provided by contracted providers and  
14 nonparticipating providers, by county, for each managed health care  
15 system to ensure that managed health care systems are meeting network  
16 adequacy requirements. No later than January 1st of each year, the  
17 authority will review and report its findings to the appropriate policy  
18 and fiscal committees of the legislature for the preceding state fiscal  
19 year.

20 ~~((+10))~~ (12) Payments under RCW 74.60.130 are exempt from this  
21 section.

22 ~~((+11))~~ (13) Subsections ~~((+7))~~ (9) through ~~((+9))~~ (11) of this  
23 section expire July 1, 2016.

24 NEW SECTION. Sec. 43. Section 1 of this act is necessary for the  
25 immediate preservation of the public peace, health, or safety, or  
26 support of the state government and its existing public institutions,  
27 and takes effect immediately.

28 NEW SECTION. Sec. 44. Sections 6, 7, and 9 through 41 of this act  
29 take effect April 1, 2016.

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